116TH CONGRESS
2d Session
HOUSE OF REPRESENTATIVES
REPT. 116–689
Part 1

RESTORING COMMUNITY INPUT AND PUBLIC PROTECTIONS IN OIL AND GAS LEASING ACT OF 2020

DECEMBER 24, 2020.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. GRIJALVA, from the Committee on Natural Resources, submitted the following

R E P O R T

together with

DISSENTING VIEWS

[To accompany H.R. 3225]

The Committee on Natural Resources, to whom was referred the bill (H.R. 3225) to amend the Mineral Leasing ct to make certain adjustments in leasing on Federal lands for oil and gas drilling, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Restoring Community Input and Public Protections in Oil and Gas Leasing Act of 2020".

SEC. 2. LEASING PROCESS.

(a) ONSHORE OIL AND GAS LEASING.—Section 17(a) of the Mineral Leasing Act (30 U.S.C. 226(a)) is amended to read as follows:

"(a) LEASING AUTHORITY.—

"(1) IN GENERAL.—All lands subject to disposition under this Act that are known or believed to contain oil or gas deposits may be leased by the Secretary.

"(2) RECEIPT OF FAIR MARKET VALUE.—Leasing activities under this Act shall be conducted to assure receipt of fair market value for the lands and resources leased and the rights conveyed by the United States.".

(b) COMPETITIVE BIDDING.—Section 17(b)(1)(A) of the Mineral Leasing Act (30 U.S.C. 226(b)(1)(A)) is amended to read as follows:

"(A) COMPETITIVE BIDDING.—

"(i) IN GENERAL.—All lands to be leased under this section shall be leased as provided in this paragraph to the highest responsible qualified bidder by competitive bidding by sealed bid.

"(ii) GEOGRAPHIC LIMITATION.—The Secretary shall lease lands under this paragraph in units of not more than 2,560 acres, except in Alaska,

where units shall be not more than 5,760 acres. Such units shall be as nearly compact as possible.

"(iii) FREQUENCY.—Lease sales under this section shall be held for each State in which there are lands eligible for leasing no more than 3 times each year and on a rotating basis such that the lands under the responsibility of any Bureau of Land Management field office are available for leasing no more than one time each year.

"(iv) ROYALTY.—A lease under this section shall be conditioned upon the payment of a royalty at a rate of not less than 18.5 percent in amount or value of the production removed or sold from the lease, except as otherwise provided in this Act.

"(v) ISSUANCE OF LEASE.—The Secretary may issue a lease under this section to the responsible qualified bidder with the highest bid that is equal to or greater than the national minimum acceptable bid. The Secretary shall decide whether to accept a bid and issue a lease within 90 days following payment by the successful bidder of the remainder of the bonus bid, if any, and annual rental for the first lease year.

"(vi) REJECTION OF BID.—The Secretary may reject a bid above the national minimum acceptable bid if, after evaluation of the value of the lands proposed for lease, the Secretary determines that the bid amount does not ensure that fair market value is obtained for the lease.".

(c) NATIONAL MINIMUM ACCEPTABLE BID.—Subparagraph (B) of section 17(b)(1) of the Mineral Leasing Act (30 U.S.C. 226(b)(1)), is amended to read as follows:

"(B) NATIONAL MINIMUM ACCEPTABLE BID.—

"(i) IN GENERAL.—The national minimum acceptable bid shall be $5 per acre. All bids under this section for less than the national minimum acceptable bid shall be rejected.

"(ii) RAISING THE NATIONAL MINIMUM ACCEPTABLE BID.—The Secretary may establish a higher national minimum acceptable bid—

"(I) beginning at the end of the four year period that begins on the date of enactment of the Restoring Community Input and Public Protection in Oil and Gas Leasing Act of 2020, at least once every 4 years, to reflect the change in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics; and

"(II) at any time if the Secretary finds that such a higher amount is necessary to enhance financial returns to the United States or to promote more efficient management of oil and gas resources on Federal lands.

"(iii) NOT A MAJOR FEDERAL ACTION.—The proposal or issuance of any regulation to establish a higher national minimum acceptable bid under clause (ii) shall not be considered a major Federal action that is subject to the requirements of section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)).".

(d) RENTALS.—Section 17(d) of the Mineral Leasing Act (30 U.S.C. 226(d)) is amended to read as follows:

"(d) ANNUAL RENTALS.—All leases issued under this section shall be conditioned upon the payment by the lessee of a rental of—

"(1) not less than $3.00 per acre per year during the 2-year period beginning on the date the lease begins for new leases, and after the end of such two year period not less than $5 per acre per year; or

"(2) such higher rental rate as the Secretary may establish if the Secretary finds that such action is necessary to enhance financial returns to the United States and promote more efficient management of oil and gas and alternative energy resources on Federal lands.".

(e) ELIMINATION OF NONCOMPETITIVE LEASING.—The Mineral Leasing Act (30 U.S.C. 181 et seq.) is amended—

(1) in section 17(b) (30 U.S.C. 226(b)), by striking paragraph (3);

(2) by amending section 17(c) (30 U.S.C. 226(c)) to read as follows:

"(c) Lands made available for leasing under subsection (b)(1) but for which no bid is accepted may be made available by the Secretary for a new round of sealed bidding under such subsection.";

(3) in section 17(e) (30 U.S.C. 226(e))—

(A) by striking "Competitive and noncompetitive leases" and inserting "Leases, including leases for tar sand areas,"; and

(B) by striking "Provided, however" and all that follows through "ten years.";

(4) in section 31(d)(1) (30 U.S.C. 188(d)(1)) by striking "or section 17(c)";

(5) in section 31(e) (30 U.S.C. 188(e))—

(A) in paragraph (2) by striking ", or the inclusion" and all that follows and inserting a semicolon; and

(B) in paragraph (3) by striking "(A)" and by striking subparagraph (B);

(6) by striking section 31(f) (30 U.S.C. 188(f)); and

(7) in section 31(g) (30 U.S.C. 188(g))—

(A) in paragraph (1) by striking "as a competitive" and all that follows through the period and inserting "in the same manner as the original lease issued pursuant to section 17.";

(B) by striking paragraph (2) and redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively; and

(C) in paragraph (2), as redesignated, by striking ", applicable to leases issued under subsection 17(c) of this Act (30 U.S.C. 226(c)) except," and inserting ", except".

(f) LEASE TERM.—Section 17(e) of the Mineral Leasing Act (30 U.S.C. 226(e)) is amended by striking "10 years:" and inserting "5 years.".

(g) OTHER LEASING REQUIREMENTS.—Section 17(g) of the Mineral Leasing Act (30 U.S.C. 226(g)), as amended by section 8 of this Act, is further amended—

(1) by striking "The Secretary" at the beginning and inserting "(1) IN GENERAL.—The Secretary"; and

(2) by adding at the end the following:

"(2) LIMITATION.—The Secretary shall not issue a lease or approve the assignment of any lease to any person, or to any subsidiary or affiliate of such person or any other person controlled by or under common control with such person, unless such person has the demonstrated capability to explore and produce oil and gas under the lease.

"(3) PROTECTION OF LEASED LANDS FOR OTHER USES.—Each lease under this section shall include such terms as are necessary to preserve the United States flexibility to control or prohibit activities that pose serious and unacceptable impacts to the value of the leased lands for uses other than production of oil and gas.".

SEC. 3. TRANSPARENCY AND LANDOWNER PROTECTIONS.

(a) DISCLOSURE OF IDENTITIES FILING DISCLOSURES OF INTEREST AND BIDS.—Section 17(b) of the Mineral Leasing Act (30 U.S.C. 226(b)), as amended by this Act, is further amended by adding at the end the following:

"(3) BIDDER IDENTITY.—The Secretary—

"(A) shall require that each expression of interest to bid for a lease under this section and each bid for a lease under this section shall include the name of the person for whom such expression of interest or bid is submitted; and

"(B) shall promptly publish each such name.".

(b) NOTICE REQUIREMENTS.—Section 17(f) of the Mineral Leasing Act (30 U.S.C. 226(f)) is amended by striking "At least" and all that follows through "agencies." and inserting the following:

"(1) REQUIRED NOTICE.—At least 45 days before offering lands for lease under this section, and at least 30 days before approving applications for permits to drill under the provisions of a lease, modifying the terms of any lease issued under this section, or granting a waiver, exception, or modification of any stipulation of a lease issued under this section, the Secretary shall provide notice of the proposed action to—

"(A) the general public by posting such notice in the appropriate local office and on the electronic website of the leasing and land management agencies offering the lands for lease;

"(B) all surface land owners in the area of the lands being offered for lease; and

"(C) the holders of special recreation permits for commercial use, competitive events, and other organized activities on the lands being offered for lease.

"(2) REQUIRED INFORMATION.—".

(c) SURFACE OWNER PROTECTION.—

(1) POST-LEASE SURFACE USE AGREEMENT.—

(A) IN GENERAL.—Except as provided in paragraph (2), the Secretary may not authorize any operator to conduct exploration and drilling operations on lands with respect to which title to oil and gas resources is held by the United States but title to the surface estate is not held by the United States, until the operator has filed with the Secretary a document, signed by the operator and the surface owner or owners, showing that the operator has secured a written surface use agreement between the operator and the surface owner or owners that meets the requirements of subparagraph (B).

(B) CONTENTS.—The surface use agreement shall provide for—

(i) the use of only such portion of the surface estate as is reasonably necessary for exploration and drilling operations based on site-specific conditions;

(ii) the accommodation of the surface estate owner to the maximum extent practicable, including the location, use, timing, and type of exploration and drilling operations, consistent with the operator's right to develop the oil and gas estate;

(iii) the reclamation of the site to a condition capable of supporting the uses which such lands were capable of supporting prior to exploration and drilling operations; and

(iv) compensation for damages as a result of exploration and drilling operations, including—

(I) loss of income and increased costs incurred;

(II) damage to or destruction of personal property, including crops, forage, and livestock; and

(III) failure to reclaim the site in accordance with clause (iii).

(C) PROCEDURE.—

(i) NOTICE OF INTENT TO CONCLUDE AGREEMENT.—An operator shall notify the surface estate owner or owners of the operator's desire to conclude an agreement under this section. If the surface estate owner and the operator do not reach an agreement within 90 days after the operator has provided such notice, the operator may submit the matter to third-party arbitration for resolution within a period of 90 days. The cost of such arbitration shall be the responsibility of the operator.

(ii) LIST OF ARBITRATORS.—The Secretary shall identify persons with experience in conducting arbitrations and shall make this information available to operators.

(iii) REFERRAL.—Referral of a matter for arbitration by an operator to an arbitrator identified by the Secretary pursuant to clause (ii) shall be sufficient to constitute compliance with clause (i).

(D) ATTORNEYS FEES.—If action is taken to enforce or interpret any of the terms and conditions contained in a surface use agreement, the prevailing party shall be reimbursed by the other party for reasonable attorneys fees and actual costs incurred, in addition to any other relief which a court or arbitration panel may grant.

(2) AUTHORIZED EXPLORATION AND DRILLING OPERATIONS.—

(A) AUTHORIZATION WITHOUT SURFACE USE AGREEMENT.—The Secretary may authorize an operator to conduct exploration and drilling operations on lands covered by paragraph (1) in the absence of an agreement with the surface estate owner or owners, if—

(i) the Secretary makes a determination in writing that the operator made a good faith attempt to conclude such an agreement, including referral of the matter to arbitration pursuant to paragraph (1)(C), but that no agreement was concluded within 90 days after the referral to arbitration;

(ii) the operator submits a plan of operations that provides for the matters specified in paragraph (1)(B) and for compliance with all other applicable requirements of Federal and State law; and

(iii) the operator posts a bond or other financial assurance in an amount the Secretary determines to be adequate to ensure compensation to the surface estate owner for any damages to the site, in the form of a surety bond, trust fund, letter of credit, government security, certificate of deposit, cash, or equivalent.

(B) SURFACE OWNER PARTICIPATION.—The Secretary shall provide surface estate owners with an opportunity to—

(i) comment on plans of operations in advance of a determination of compliance with this Act;

(ii) participate in bond level determinations and bond release proceedings under this section;

(iii) attend an on-site inspection during such determinations and proceedings;

(iv) file written objections to a proposed bond release; and

(v) request and participate in an on-site inspection when they have reason to believe there is a violation of the terms and conditions of a plan of operations.

(C) PAYMENT OF FINANCIAL GUARANTEE.—A surface estate owner with respect to any land subject to a lease may petition the Secretary for payment of all or any portion of a bond or other financial assurance required under

this section as compensation for any damages as a result of exploration and drilling operations. Pursuant to such a petition, the Secretary may use such bond or other guarantee to provide compensation to the surface estate owner for such damages.

(D) BOND RELEASE.—Upon request and after inspection and opportunity for surface estate owner review, the Secretary may release the financial assurance required under this section if the Secretary determines that exploration and drilling operations are ended and all damages have been fully compensated.

(3) SURFACE OWNER NOTIFICATION.—The Secretary shall notify surface estate owners in writing—

(A) not less than 45 days before lease sales;

(B) of the identity of the lessee, not more than 10 business days after a lease is issued;

(C) concerning any subsequent request or decision regarding a lease not more than 5 business days after such request or decision, including regarding modification of a lease, waiver of a stipulation, or approval of a right of way; and

(D) not more than 5 business days after issuance of a drilling permit under a lease.

SEC. 4. LEASE STIPULATIONS.

(a) ENERGY POLICY ACT OF 2005.—Section 363(b)(3)(C) of the Energy Policy Act of 2005 (42 U.S.C. 15922(b)(3)(C)) is amended to read as follows:

"(C) adequately protective of the resource for which the stipulations are applied;".

(b) REVISION OF EXISTING MEMORANDUM.—Not later than 180 days after the date of the enactment of this Act the Secretary of the Interior and the Secretary of Agriculture shall revise the memorandum of understanding under section 363(b)(3)(C) of the Energy Policy Act of 2005 (42 U.S.C. 15922) in accordance with the amendment made by subsection (a).

SEC. 5. MASTER LEASING PLANS.

Section 17(a) of the Mineral Leasing Act (30 U.S.C. 226(a)), as amended by section 2, is further amended by adding at the end the following:

"(3) MASTER LEASING PLANS.—

"(A) IN GENERAL.—The Secretary may adopt and implement a master leasing plan to govern the issuance of oil and gas leases under this Act for any Federal lands, in accordance with Bureau of Land Management Instruction Memorandum No. 2010–117, dated May 17, 2010, as in effect on April 24, 2017.

"(B) FACTORS AND CONSIDERATIONS.—In deciding whether to adopt and implement a master leasing plan, the Secretary—

"(i) shall consider the criteria set forth in Bureau of Land Management Instruction Memorandum No. 2010–117, dated May 17, 2010, as in effect on April 24, 2017; and

"(ii) shall consider the benefits of avoiding conflicts between mineral leasing and other land uses, including conservation, recreation, and protection of cultural and historic resources.

"(C) STATE REQUEST.—The Secretary shall adopt and implement a master leasing plan under subparagraph (A) applicable to leases for Federal lands in a State or county of a State, if requested by the government of such State or county, respectively.

"(D) REQUEST BY AN INDIVIDUAL.—

"(i) IN GENERAL.—Any individual who is a resident of a State or county of a State may submit a petition to the Secretary requesting that the Secretary adopt and implement a master leasing plan under subparagraph (A) applicable to the issuance of leases for Federal lands in such State or county, respectively.

"(ii) CONSIDERATION.—If the Secretary receives such a petition, the Secretary shall, not later than 60 days after receiving such petition, issue a determination of whether or not the adoption and implementation of such a master leasing plan is appropriate.".

SEC. 6. PARCEL REVIEW.

Section 17(a) of the Mineral Leasing Act (30 U.S.C. 226(a)), as amended by sections 2 and 5 of this Act, is further amended by adding at the end the following:

"(4) PARCEL REVIEW.—The Secretary shall issue oil and gas leases under this Act only in accordance with subsections C through I of section III of Bureau of

Land Management Instruction Memorandum No. 2010–117, dated May 17, 2010, as in effect on April 24, 2017.".

SEC. 7. ACREAGE LIMITATIONS.

Section 27(d)(1) of the Mineral Leasing Act (30 U.S.C. 184(d)(1)) is amended by striking ", and acreage under any lease any portion of which has been committed to a federally approved unit or cooperative plan or communitization agreement or for which royalty (including compensatory royalty or royalty in-kind) was paid in the preceding calendar year,".

SEC. 8. LAND MANAGEMENT.

Section 17(g) of the Mineral Leasing Act (30 U.S.C. 226(g)), as amended by section 2(g) of this Act, is further amended by adding at the end the following:

"(4) MULTIPLE-USE MANAGEMENT.—The Secretary, and for National Forest lands, the Secretary of Agriculture, shall manage lands that are subject to an oil and gas lease under this Act in accordance with the principles, policies, and requirements relating to multiple use under the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.), until the beginning of operations on such lease.".

SEC. 9. OIL SHALE.

Section 21(a) of the Mineral Leasing Act (30 U.S.C. 241(a)) is amended—

(1) in paragraph (1), by striking "The Secretary of the Interior" and inserting "Subject to paragraph (6), the Secretary of the Interior"; and

(2) by adding at the end the following:

"(6) Beginning on the date of enactment of the Restoring Community Input and Public Protections in Oil and Gas Leasing Act of 2020, The Secretary may not issue any lease for oil shale under this Act before the date the Secretary issues a finding that the technical and economic feasibility of development of and production from such deposit has been demonstrated under section 369 of the Energy Policy Act of 2005 (42 U.S.C. 15927).".

SEC. 10. TRANSPARENCY IN MANAGEMENT OF LEASES.

Section 17(a) of the Mineral Leasing Act (30 U.S.C. 226(a)), as amended by sections 2, 5, and 6 of this Act, is further amended by adding at the end the following:

"(5) TRANSPARENCY IN MANAGEMENT OF LEASES.—For each lease under this section, the Secretary shall make available on a public website—

"(A) the identity of—

"(i) each person who is or has been a lessee under the lease; and

"(ii) each person who is or has been an operator under the lease;

"(B) notice of each transfer of the lease; and

"(C) notice of each suspension of operations, each suspension of production, and each suspension of operations and production.".

SEC. 11. LEASE CANCELLATION FOR IMPROPER ISSUANCE.

Section 31(b) of the Mineral Leasing Act (30 U.S.C. 188(b)) is amended by inserting "if the lease was improperly issued or" after "30 days notice".

SEC. 12. FEES FOR EXPRESSIONS OF INTEREST.

The Secretary of the Interior shall charge any person who submits an expression of interest, as that term is defined by the Secretary, a fee, in an amount determined by the Secretary to be appropriate in aggregate to cover the aggregate cost of processing expressions of interest.

PURPOSE OF THE BILL

The purpose of H.R. 3225 is to amend the Mineral Leasing Act to make certain adjustments in leasing on federal lands for oil and gas drilling.

BACKGROUND AND NEED FOR LEGISLATION

The Bureau of Land Management (BLM) and the U.S. Forest Service (USFS) are the two federal agencies primarily responsible for managing oil and gas resources on U.S. public land. The BLM administers more than 247 million acres of land and 700 million acres of subsurface mineral estate under the principles of multiple use and sustained yield. The USFS cooperates with BLM in coordinating access to federal oil and gas resources on national forests

and grasslands. The Mineral Leasing Act (MLA) authorizes the Department of the Interior (DOI) to lease the rights to develop oil and gas resources on public land.[1]

Before land is leased for development, BLM determines what lands in a given region are available for extractive uses and which lands are better suited for other purposes, including recreational, conservation, and cultural uses. Among other statutes, BLM's land use planning process adheres to the Federal Land Policy and Management Act of 1976 (FLPMA), which requires public land management "be on the basis of multiple use and sustained yield."[2] Land management plans also undergo public review and comment under the National Environmental Policy Act (NEPA). The USFS has an analogous land-use planning process under the National Forest Management Act of 1976.[3]

At the direction of the Trump administration, BLM has carried out an "energy dominance" agenda by prioritizing oil and gas development above other public land uses, repealing policies and regulations designed to balance oil and gas development with public health and conservation, and restricting opportunities for public participation in leasing and drilling decisions. Since January 2017, the BLM has offered nearly 25 million acres of public land for lease and has leased 5.3 million acres of public land to the oil and gas industry, significant increases from the last few years of the Obama administration. Currently, BLM has approximately 26 million surface acres under lease for oil and gas development, with 12.8 million acres of lease currently producing oil and gas from over 96,000 active wells. In 2017, oil production on public land accounted for 5.6 percent of total U.S. oil production and 10 percent of total U.S. natural gas production.[4]

An individual or a company can nominate lands that are available for oil and gas development for inclusion in a future lease sale by submitting an anonymous Expression of Interest (EOI) to BLM.[5] There are no required fees to nominate lands for lease, despite the tremendous amount of resources BLM must use to analyze and prepare parcels for auction; H.R. 3225 requires that BLM charge a cost-recovery fee to each person that submits an oil and gas EOI. Once an EOI is received, BLM field office staff conduct an analysis to confirm the lands are available, eligible, and suitable for oil and gas leasing. BLM field office staff then make recommendations to BLM state directors, who decide which parcels to include in the state's next lease sale. BLM announces details of upcoming sales online, including any stipulations for each lease such as restrictions on surface occupancy or seasonal or timing limitations. Following the issuance of the lease sale notice, there is a period for public comments or formal protests on the proposed parcels.

BLM generally holds lease sales quarterly in every state where lands have been nominated, and, except for Alaska, no lease tract

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[1] 30 U.S.C. 181 *et seq.*
[2] 43 U.S.C. 1732(a).
[3] 16 U.S.C. 1600 *et seq.*
[4] Humphries, Marc. "U.S. Crude Oil and Natural Gas Production in Federal and Nonfederal Areas." *Congressional Research Service.* Oct. 23, 2018. https://www.crs.gov/reports/pdf/R42432. Numbers exclude offshore production.
[5] "National Fluids Lease Sale System: Important Information About EOIs." *Bureau of Land Management.* https://nflss.blm.gov/importantinfo.

offered for sale can be more than 2,560 acres.[6] The language on quarterly lease sales has been interpreted differently by different administrations; H.R. 3225 eliminates that language and set a maximum number of lease sales per year to three per state. Until 2016, lease sales were held through in-person auctions, but the 2015 National Defense Authorization Act provided BLM authority to conduct lease sales online, and oil and gas lease sales are now held through the commercial online website *EnergyNet*.[7]

The Federal Onshore Oil and Gas Leasing Reform Act of 1987 required that all oil and gas lease sales held by BLM be competitive and set the minimum bid at $2 per acre. H.R. 3225 increases the national minimum bid to $5 per acre and requires the Secretary of the Interior to adjust the rate for inflation at least once every four years. Currently, if a parcel does not receive a bid during a competitive auction, it is made available for noncompetitive leasing for two years on a first-come, first-serve basis the following business day, at which point companies can obtain a lease without having to pay a bonus bid, only needing to pay the yearly $1.50 per acre rental fee and an administrative fee. Oil and gas leases, both competitive and noncompetitive, have an initial length of 10 years—a much longer initial term than leases on state and private land—and low federal rental rates provide no incentive for companies to drill until the lease is nearly expired.[8] H.R. 3225 shortens the initial term of oil and gas leases to 5 years and doubles the current rental rates, which have not been adjusted for over 30 years.

The leasing process has long been accused of being too generous to industry and too easy for speculators to game. In May 2019, the Center for American Progress (CAP) released a report showing that since 2009, more than 2.9 million acres of U.S. lands have been leased noncompetitively.[9] CAP determined that from 2017 to 2018, the acres of land sold noncompetitively doubled—from roughly 141,000 to nearly 379,000 acres—and the number of leases issued noncompetitively was higher in 2018 than it had been in any other year over the last decade.

In 2017, a foreign-owned energy company gamed the leasing system by nominating tens of thousands of acres of land in Montana with the hopes that no one would participate in the competitive bidding process. Sure enough, no one did, and the day after the competitive auction the company snatched up nearly 67,000 acres of public land noncompetitively for a mere $1.50 per acre a year in rent.[10] At competitive auctions in Montana in 2013, bidders paid more than $100 per acre on top of the yearly rental fee. According to an analysis by Taxpayers for Common Sense, during the 2018 fiscal year, this same foreign-owned energy company deprived U.S. taxpayers of over $3.6 million in revenue through noncompetitive

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[6] "General Oil and Gas Leasing Instructions," *Bureau of Land Management.* https://www.blm.gov/programs/energy-and-minerals/oil-and-gas/leasing/general-leasing.

[7] Section 3022; P.L. 113–291.

[8] U.S. Government Accountability Office, "*OIL AND GAS PERMITTING: Actions Needed to Improve BLM's Review Process and Data System,*" GAO–20–329, March 2020. Page 18.

[9] Kelly, Kate, Rowland-Shea, Jenny and Nicole Gentile. "Backroom Deals: The Hidden World of Noncompetitive Oil and Gas Leasing." *Center for American Progress.* May 23, 2019. https://www.americanprogress.org/issues/green/reports/2019/05/23/470140/backroom-deals/.

[10] Lipton, Eric, and Hiroko Tabuchi. "Energy Speculators Jump on Chance to Lease Public Land and Bargain Rates." *New York Times.* November 27, 2018. https://www.nytimes.com/2018/11/27/business/energy-speculators-public-land-leases.html.

leasing.[11] The vast majority of lands leased noncompetitively never enter production while complicating efforts to manage the leased lands for other uses. According to the Congressional Budget Office, only 3 percent of noncompetitive leases issued from 1996 to 2003 were developed by the end of their 10-year term.[12] H.R. 3225 eliminates noncompetitive leasing.

In 2010, BLM published Instruction Memorandum (IM) 2010–117, which updated its oil and gas leasing policies to address shortcomings identified during the Bush administration, such as the practice of offering leases right next to national parks while ignoring input from the National Park Service. The 2010 reforms included the establishment of Master Leasing Plans (MLPs), which are smaller-scale land-use plans designed to minimize conflicts between oil and gas and other resources and land uses. MLPs were developed to supplement standard land-use planning in areas where fragile environments, popular outdoor recreation, or valuable cultural artifacts overlapped with drilling interests.[13]

The Trump administration has made it a key priority to repeal or weaken environmental and public health protections and remove obstacles for fossil fuel development on public lands. On January 31, 2018, the BLM issued IM 2018–034, which reversed many of the Obama-era reforms that provided the public a more meaningful say in decisions about energy development on public lands.[14] The IM eliminated the use of MLPs, shortened the protest period for lease sale parcels from 30 days to 10 days, ended the practice of deferring lease sales when a land use plan was being revised, removed the requirement that the public be involved during lease nominations, and removed a 30 day public review and comment period for environmental reviews preceding a leasing decision made by a BLM State Director.

The 2018 IM is the most glaring example of the administration attempting to remove the public from the oil and gas decision-making process and shorten environmental reviews. In the months following its publication, environmental organizations challenged the IM in court arguing it violated NEPA and other land management laws. On September 21, 2018, a U.S. District Court judge issued a preliminary injunction blocking the use of IM 2018–034 to expedite oil and gas lease sales in greater sage-grouse habitat, which spans 67 million acres in 11 Western states.[15] The judge issuing the ruling was conclusive when it came to the impacts of BLM's IM, saying, "the record contains significant evidence indicating BLM made an intentional decision to limit the opportunity for (and even in some circumstances to preclude entirely) any contemporaneous public involvement in decisions concerning whether to grant oil and gas leases on federal lands." In February 2020, the court issued a final ruling in favor of the plaintiffs and voided nearly 1 million

[11] "Taxpayers Lose in Noncompetitive Montana Lease Sale." *Taxpayers for Common Sense.* November 27, 2018. https://www.taxpayer.net/energy-natural-resources/taxpayers-lose-in-non-competitive-montana-lease-sale/.

[12] "Options for Increasing Federal Income from Crude Oil and Natural Gas on Federal Lands." *Congressional Budget Office.* April 2016. https://www.cbo.gov/sites/default/files/114th-congress-2015-2016/reports/51421-oil_and_gas_options-OneCol-3.pdf.

[13] The Short Life of the BLM's Master Leasing Plans. Jan. 22, 2018. *Stanford University.* https://west.stanford.edu/news/blogs/and-the-west-blog/2018/master-leasing-plans.

[14] https://www.blm.gov/policy/im-2018-034.

[15] Western Watersheds Project v. Zinke, 336 F. Supp. 3d 1204, 2018 U.S. Dist. LEXIS 162279, 48 ELR 20172, 2018 WL 4550396.

acres of oil and gas leases issued using the policies of the 2018 IM.[16]

H.R. 3225 makes long-needed reforms to BLM's oil and gas leasing process and restores and strengthens a number of improvements that were established in 2010 but have since been weakened or ended by the Trump administration. The bill increases transparency by requiring companies that nominate lands for oil and gas leasing and bid on leases to disclose their identities, and protects landowners by requiring the Secretary of the Interior to notify them about oil and gas lease sales on or near their land. Further, the bill safeguards environmental resources by enhancing NEPA reviews and ends fossil fuel industry giveaways by eliminating noncompetitive oil and gas leasing and raising the onshore oil and gas royalty rate, rental fee, and the minimum bid amount. H.R. 3225 helps balance the scales away from a system where industry calls the shots, and toward a system where listening to the public and protecting the environment also matter.

The Minority's views on H.R. 3225 mischaracterize several aspects of the oil and gas leasing on public lands and inaccurately describe the impacts of the legislation. The Minority believes that energy development on public land has lagged production on state and private lands because the Obama administration increased obstacles for companies and that BLM took too long to review Applications for Permits to Drill (APDs). Both statements are incorrect. The most significant factors that influence production are the location of oil and gas resources and the price. The bulk of oil and gas in the U.S. is located on state and private lands, not lands managed by the Interior Department, and market-forces and consumer demand influence price much more so than government policies. In March 2020, the U.S. Government Accountability Office (GAO) published a report that found that nearly 10,000 permits—42 percent of all approved permits from 2014 through 2019—were in industry hands but not being used. Additionally, the report found that by the end of the Obama administration, APDs were issued in an average of 196 days, not 257. Companies submit hundreds of surplus applications they never use, slowing down BLM's ability to process and approve the highest priority permits, feeding the narrative that the problem is on BLM's end.

The Minority also believes that raising the 100-year-old royalty rate to match rates on state lands and indexing other fees for inflation will hurt taxpayers and drive production off public land. Work done by the GAO, the Congressional Budget Office, and other nonpartisan experts has consistently determined that raising the royalty rate will significantly increase revenues for taxpayers while having only a minor impact on production. Finally, the Minority believes that the alternative to producing more oil and gas on public land is increased imports. This is incorrect for many reasons, including that before the start of the COVID–19 pandemic, the U.S. was exporting over 3 million barrels of crude oil a day and was a net exporter of gas. At this point, additional production in the U.S. is primarily driving export volumes, not domestic energy security.

[16] Eilperin, Juliet and Darryl Fears. "Judge voids nearly 1 million acres of oil and gas leases, saying Trump policy undercut public input." *The Washington Post.* Feb. 28, 2020. https://www.washingtonpost.com/climate-environment/2020/02/27/judge-voids-nearly-1-million-acres-oil-gas-leases-saying-trump-policy-undercut-public-input/.

The U.S. should be decreasing its reliance on fossil fuels and increasing production of renewable energy, not doubling down on an environmentally destructive and outdated philosophy of "drill, baby, drill."

COMMITTEE ACTION

H.R. 3225 was introduced on June 12, 2019, by Representative Mike Levin (D–CA). The bill was referred to the Committee on Natural Resources, and in addition to the Committee on Agriculture. Within the Natural Resources Committee, the bill was referred to the Subcommittee on Energy and Mineral Resources. On June 20, 2019, the Subcommittee held a hearing on the bill. On September 30, 2020, the Natural Resources Committee met to consider the bill. The Subcommittee was discharged by unanimous consent. Chair Raúl M. Grijalva (D–AZ) offered an amendment designated Grijalva #1. The amendment was agreed to by voice vote. Representative Paul Gosar (R–AZ) offered an amendment designated Gosar #5. The amendment was not agreed to by a roll call vote of 15 yeas and 19 nays, as follows:

Date: September 30, 2020

COMMITTEE ON NATURAL RESOURCES
116th Congress - Roll Call

Bill / Motion: H.R. 3225

Amendment: Rep. Gosar #5 amendment

Disposition: Was not agreed to by a roll call vote of 15 yeas and 19 nays.

	DEM. MEMBERS (26)	YEAS	NAYS	PRESENT
1	Ms. Barragán, CA			
2	Mr. Brown, MD		X	
3	Mr. Cartwright, PA		X	
4	Mr. Case, HI		X	
5	Mr. Clay, MO		X	
6	Mr. Costa, CA		X	
7	Mr. Cox, CA		X	
8	Mr. Cunningham, SC		X	
9	Ms. DeGette, CO			
10	Mrs. Dingell, MI		X	
11	Mr. Gallego, AZ		X	
12	Mr. García, II		X	
13	Mr. Grijalva, AZ (*Chair*)		X	
14	Ms. Haaland, NM		X	
15	Mr. Horsford, NV			
16	Mr. Huffman, CA		X	
17	Mr. Levin, CA		X	
18	Mr. Lowenthal, CA		X	
19	Mr. McEachin, VA			
20	Ms. Napolitano, CA			
21	Mr. Neguse, CO		X	
22	Mr. Sablan, CNMI		X	
23	Mr. San Nicolas, GU		X	
24	Mr. Soto, FL		X	
25	Mr. Tonko, NY			
26	Ms. Velázquez, NY			
	REP. MEMBERS (20)	**Y**	**N**	**P**
1	*Mr. Bishop, UT (Ranking)*	X		
2	*Ms. Cheney, WY*	X		
3	*Mr. Cook, CA*	X		
4	*Mr. Curtis, UT*	X		
5	*Mr. Fulcher, ID*	X		
6	*Mr. Gohmert, TX*	X		
7	*Ms. González-Colón, PR*	X		
8	*Mr. Gosar, AZ*	X		
9	*Mr. Graves, LA*	X		
10	*Mr. Hern, OK*			
11	*Mr. Hice, GA*	X		
12	*Mr. Johnson, LA*	X		
13	*Mr. Lamborn, CO*	X		
14	*Mr. McClintock, CA*	X		
15	*Mrs. Radewagen, AS*			
16	*Mr. Stauber, MN*			
17	*Mr. Webster, FL*			
18	*Mr. Westerman, AR*	X		
19	*Mr. Wittman, VA*	X		
20	*Mr. Young, AK*			
	TOTALS	15	19	
	Total: 45 / Quorum: 16 / Report: 24	**YEAS**	**NAYS**	**PRESENT**

Representative Garret Graves (R–LA) offered an amendment designated Graves #1. The amendment was withdrawn. Representative Graves offered an amendment designated Graves #2. The amendment was not agreed to by voice vote. Representative Graves offered an amendment designated Graves #3. The amendment was not agreed to by voice vote. Representative Graves offered an amendment designated Graves #4. The amendment was not agreed to by a roll call vote of 15 yeas and 19 nays, as follows:

Date: September 30, 2020

COMMITTEE ON NATURAL RESOURCES
116th Congress - Roll Call

Bill / Motion: H.R. 3225

Amendment: Rep. Graves #4 amendment

Disposition: Was not agreed to by a roll call vote of 15 yeas and 19 nays.

	DEM. MEMBERS (26)	YEAS	NAYS	PRESENT
1	Ms. Barragán, CA			
2	Mr. Brown, MD		X	
3	Mr. Cartwright, PA		X	
4	Mr. Case, HI		X	
5	Mr. Clay, MO		X	
6	Mr. Costa, CA		X	
7	Mr. Cox, CA		X	
8	Mr. Cunningham, SC		X	
9	Ms. DeGette, CO			
10	Mrs. Dingell, MI		X	
11	Mr. Gallego, AZ		X	
12	Mr. García, II		X	
13	Mr. Grijalva, AZ (*Chair*)		X	
14	Ms. Haaland, NM		X	
15	Mr. Horsford, NV			
16	Mr. Huffman, CA		X	
17	Mr. Levin, CA		X	
18	Mr. Lowenthal, CA		X	
19	Mr. McEachin, VA			
20	Ms. Napolitano, CA			
21	Mr. Neguse, CO		X	
22	Mr. Sablan, CNMI		X	
23	Mr. San Nicolas, GU		X	
24	Mr. Soto, FL		X	
25	Mr. Tonko, NY			
26	Ms. Velázquez, NY			
	REP. MEMBERS (20)	**Y**	**N**	**P**
1	*Mr. Bishop, UT (Ranking)*	X		
2	*Ms. Cheney, WY*	X		
3	*Mr. Cook, CA*	X		
4	*Mr. Curtis, UT*	X		
5	*Mr. Fulcher, ID*	X		
6	*Mr. Gohmert, TX*	X		
7	*Ms. González-Colón, PR*	X		
8	*Mr. Gosar, AZ*	X		
9	*Mr. Graves, LA*	X		
10	*Mr. Hern, OK*			
11	*Mr. Hice, GA*	X		
12	*Mr. Johnson, LA*	X		
13	*Mr. Lamborn, CO*	X		
14	*Mr. McClintock, CA*	X		
15	*Mrs. Radewagen, AS*			
16	*Mr. Stauber, MN*			
17	*Mr. Webster, FL*			
18	*Mr. Westerman, AR*	X		
19	*Mr. Wittman, VA*	X		
20	*Mr. Young, AK*			
	TOTALS	15	19	
	Total: 45 / Quorum: 16 / Report: 24	**YEAS**	**NAYS**	**PRESENT**

Representative Graves offered an amendment designated Graves #5. The amendment was not agreed to by voice vote. Representative Graves offered an amendment designated Graves #6. The amendment was not agreed to by a roll call vote of 15 yeas and 20 nays, as follows:

Date: September 30, 2020

COMMITTEE ON NATURAL RESOURCES
116th Congress - Roll Call

Bill / Motion: H.R. 3225

Amendment: Rep. Graves #6 amendment

Disposition: Was not agreed to by a roll call vote of 15 yeas and 20 nays.

	DEM. MEMBERS (26)	YEAS	NAYS	PRESENT
1	Ms. Barragán, CA			
2	Mr. Brown, MD		X	
3	Mr. Cartwright, PA		X	
4	Mr. Case, HI		X	
5	Mr. Clay, MO		X	
6	Mr. Costa, CA		X	
7	Mr. Cox, CA		X	
8	Mr. Cunningham, SC		X	
9	Ms. DeGette, CO			
10	Mrs. Dingell, MI		X	
11	Mr. Gallego, AZ		X	
12	Mr. García, II		X	
13	Mr. Grijalva, AZ (*Chair*)		X	
14	Ms. Haaland, NM		x	
15	Mr. Horsford, NV			
16	Mr. Huffman, CA		X	
17	Mr. Levin, CA		X	
18	Mr. Lowenthal, CA		X	
19	Mr. McEachin, VA			
20	Ms. Napolitano, CA			
21	Mr. Neguse, CO		X	
22	Mr. Sablan, CNMI		X	
23	Mr. San Nicolas, GU		X	
24	Mr. Soto, FL		X	
25	Mr. Tonko, NY		X	
26	Ms. Velázquez, NY			
	REP. MEMBERS (20)	**Y**	**N**	**P**
1	*Mr. Bishop, UT (Ranking)*	X		
2	*Ms. Cheney, WY*	X		
3	*Mr. Cook, CA*	X		
4	*Mr. Curtis, UT*	X		
5	*Mr. Fulcher, ID*	X		
6	*Mr. Gohmert, TX*	X		
7	*Ms. González-Colón, PR*	X		
8	*Mr. Gosar, AZ*	X		
9	*Mr. Graves, LA*	X		
10	*Mr. Hern, OK*			
11	*Mr. Hice, GA*	X		
12	*Mr. Johnson, LA*	X		
13	*Mr. Lamborn, CO*	X		
14	*Mr. McClintock, CA*	X		
15	*Mrs. Radewagen, AS*			
16	*Mr. Stauber, MN*			
17	*Mr. Webster, FL*			
18	*Mr. Westerman, AR*	X		
19	*Mr. Wittman, VA*	X		
20	*Mr. Young, AK*			
	TOTALS	15	20	
	Total: 45 / Quorum: 16 / Report: 24	**YEAS**	**NAYS**	**PRESENT**

Representative Graves offered an amendment designated Graves #7. The amendment was not agreed to by a roll call vote of 15 yeas and 19 nays, as follows:

Date: September 30, 2020

COMMITTEE ON NATURAL RESOURCES
116th Congress - Roll Call

Bill / Motion: H.R. 3225

Amendment: Rep. Graves #7 amendment

Disposition: Was not agreed to by a roll call vote of 15 yeas and 19 nays.

	DEM. MEMBERS (26)	YEAS	NAYS	PRESENT
1	Ms. Barragán, CA			
2	Mr. Brown, MD		X	
3	Mr. Cartwright, PA		X	
4	Mr. Case, HI		X	
5	Mr. Clay, MO		X	
6	Mr. Costa, CA			
7	Mr. Cox, CA		X	
8	Mr. Cunningham, SC		X	
9	Ms. DeGette, CO			
10	Mrs. Dingell, MI		X	
11	Mr. Gallego, AZ		X	
12	Mr. García, II		X	
13	Mr. Grijalva, AZ (*Chair*)		X	
14	Ms. Haaland, NM		X	
15	Mr. Horsford, NV			
16	Mr. Huffman, CA		X	
17	Mr. Levin, CA		X	
18	Mr. Lowenthal, CA		X	
19	Mr. McEachin, VA			
20	Ms. Napolitano, CA			
21	Mr. Neguse, CO		X	
22	Mr. Sablan, CNMI		X	
23	Mr. San Nicolas, GU		X	
24	Mr. Soto, FL		X	
25	Mr. Tonko, NY		X	
26	Ms. Velázquez, NY			
	REP. MEMBERS (20)	**Y**	**N**	**P**
1	*Mr. Bishop, UT (Ranking)*	X		
2	*Ms. Cheney, WY*	X		
3	*Mr. Cook, CA*	X		
4	*Mr. Curtis, UT*	X		
5	*Mr. Fulcher, ID*	X		
6	*Mr. Gohmert, TX*	X		
7	*Ms. González-Colón, PR*	X		
8	*Mr. Gosar, AZ*	X		
9	*Mr. Graves, LA*	X		
10	*Mr. Hern, OK*			
11	*Mr. Hice, GA*	X		
12	*Mr. Johnson, LA*	X		
13	*Mr. Lamborn, CO*	X		
14	*Mr. McClintock, CA*	X		
15	*Mrs. Radewagen, AS*			
16	*Mr. Stauber, MN*			
17	*Mr. Webster, FL*			
18	*Mr. Westerman, AR*	X		
19	*Mr. Wittman, VA*	X		
20	*Mr. Young, AK*			
	TOTALS	15	19	
	Total: 45 / Quorum: 16 / Report: 24	**YEAS**	**NAYS**	**PRESENT**

Representative Gosar offered an amendment designated Gosar #4. The amendment was not agreed to by a roll call vote of 15 yeas and 20 nays, as follows:

Date: September 30, 2020

COMMITTEE ON NATURAL RESOURCES
116th Congress - Roll Call

Bill / Motion: H.R. 3225

Amendment: Rep. Gosar **#4** amendment

Disposition: Was not agreed to by a roll call vote of 15 yeas and 20 nays.

	DEM. MEMBERS (26)	YEAS	NAYS	PRESENT
1	Ms. Barragán, CA			
2	Mr. Brown, MD		X	
3	Mr. Cartwright, PA		X	
4	Mr. Case, HI		X	
5	Mr. Clay, MO		X	
6	Mr. Costa, CA		X	
7	Mr. Cox, CA		X	
8	Mr. Cunningham, SC		X	
9	Ms. DeGette, CO			
10	Mrs. Dingell, MI		X	
11	Mr. Gallego, AZ		X	
12	Mr. García, II		X	
13	Mr. Grijalva, AZ (*Chair*)		X	
14	Ms. Haaland, NM		X	
15	Mr. Horsford, NV			
16	Mr. Huffman, CA		X	
17	Mr. Levin, CA		X	
18	Mr. Lowenthal, CA		X	
19	Mr. McEachin, VA			
20	Ms. Napolitano, CA			
21	Mr. Neguse, CO		X	
22	Mr. Sablan, CNMI		X	
23	Mr. San Nicolas, GU		X	
24	Mr. Soto, FL		X	
25	Mr. Tonko, NY		X	
26	Ms. Velázquez, NY			
	REP. MEMBERS (20)	**Y**	**N**	**P**
1	*Mr. Bishop, UT (Ranking)*	X		
2	*Ms. Cheney, WY*	X		
3	*Mr. Cook, CA*	X		
4	*Mr. Curtis, UT*	X		
5	*Mr. Fulcher, ID*	X		
6	*Mr. Gohmert, TX*	X		
7	*Ms. González-Colón, PR*	X		
8	*Mr. Gosar, AZ*	X		
9	*Mr. Graves, LA*	X		
10	*Mr. Hern, OK*			
11	*Mr. Hice, GA*	X		
12	*Mr. Johnson, LA*	X		
13	*Mr. Lamborn, CO*	X		
14	*Mr. McClintock, CA*	X		
15	*Mrs. Radewagen, AS*			
16	*Mr. Stauber, MN*			
17	*Mr. Webster, FL*			
18	*Mr. Westerman, AR*	X		
19	*Mr. Wittman, VA*	X		
20	*Mr. Young, AK*			
	TOTALS	15	20	
	Total: 45 / Quorum: 16 / Report: 24	**YEAS**	**NAYS**	**PRESENT**

No additional amendments were offered, and the bill, as amended, was adopted and ordered favorably reported to the House of Representatives by a roll call vote of 20 yeas and 15 nays, as follows:

Date: September 30, 2020

COMMITTEE ON NATURAL RESOURCES
116th Congress - Roll Call

Bill / Motion: H.R. 3225

Amendment:

Disposition: Final Passage: H.R. 3225, as amended, was ordered favorably reported to the House of Representatives by a roll call vote of 20 yeas and 15 nays.

	DEM. MEMBERS (26)	YEAS	NAYS	PRESENT
1	Ms. Barragán, CA			
2	Mr. Brown, MD	X		
3	Mr. Cartwright, PA	X		
4	Mr. Case, HI	X		
5	Mr. Clay, MO	X		
6	Mr. Costa, CA	X		
7	Mr. Cox, CA	X		
8	Mr. Cunningham, SC	X		
9	Ms. DeGette, CO			
10	Mrs. Dingell, MI	X		
11	Mr. Gallego, AZ	X		
12	Mr. García, II	X		
13	Mr. Grijalva, AZ (*Chair*)	X		
14	Ms. Haaland, NM	X		
15	Mr. Horsford, NV			
16	Mr. Huffman, CA	X		
17	Mr. Levin, CA	X		
18	Mr. Lowenthal, CA	X		
19	Mr. McEachin, VA			
20	Ms. Napolitano, CA			
21	Mr. Neguse, CO	X		
22	Mr. Sablan, CNMI	X		
23	Mr. San Nicolas, GU	X		
24	Mr. Soto, FL	X		
25	Mr. Tonko, NY	X		
26	Ms. Velázquez, NY			
	REP. MEMBERS (20)	**Y**	**N**	**P**
1	*Mr. Bishop, UT (Ranking)*		X	
2	*Ms. Cheney, WY*		X	
3	*Mr. Cook, CA*		X	
4	*Mr. Curtis, UT*		X	
5	*Mr. Fulcher, ID*		X	
6	*Mr. Gohmert, TX*		X	
7	*Ms. González-Colón, PR*		X	
8	*Mr. Gosar, AZ*		X	
9	*Mr. Graves, LA*		X	
10	*Mr. Hern, OK*			
11	*Mr. Hice, GA*		X	
12	*Mr. Johnson, LA*		X	
13	*Mr. Lamborn, CO*		X	
14	*Mr. McClintock, CA*		X	
15	*Mrs. Radewagen, AS*			
16	*Mr. Stauber, MN*			
17	*Mr. Webster, FL*			
18	*Mr. Westerman, AR*		X	
19	*Mr. Wittman, VA*		X	
20	*Mr. Young, AK*			
	TOTALS	20	15	
	Total: 46 / Quorum: 16 / Report: 24	**YEAS**	**NAYS**	**PRESENT**

HEARINGS

For the purposes of section 103(i) of H. Res. 6 of the 116th Congress—the following hearing was used to develop or consider H.R. 3225: hearing by the Subcommittee on Energy and Mineral Resources held on June 20, 2019.

SECTION-BY-SECTION ANALYSIS

Sec. 1. Short title

Section 1 provides that this Act may be cited as the "Restoring Community Input and Public Protections in Oil and Gas Leasing Act of 2019."

Sec. 2. Leasing process

Section 2 updates the onshore oil and gas leasing program and increases taxpayer returns. Subsection (b) reduces the number of annual lease sales in each state from a minimum of four to a maximum of three and requires that lands managed under any particular field office can't be offered in more than one lease sale per year. Subsection (b) also raises the onshore oil and gas royalty rate from 12.5 percent to 18.5 percent for all new oil and gas leases. Subsection (c) increases the national minimum bid from $2 per acre to $5 per acre, and requires the Secretary of the Interior to adjust it for inflation at least once every four years. Subsection (d) raises the onshore rental rates for oil and gas leases from their current values of $1.50 for the first 5 years and $2 for the second five years, to $3 for the first 2 years and $5 in each subsequent year. Subsection (e) eliminates noncompetitive leasing and subsection (f) shortens the primary lease term from 10 years to 5 years. Subsection (g) requires leaseholders to have a demonstrated capability to explore and produce oil and gas, in order to discourage speculation.

Sec. 3. Transparency and landowner protections

Section 3 improves the transparency of the leasing program and increases protections for owners of land in the vicinity of proposed lease sales. Subsection (a) requires parties to disclose their identity when nominating (submitting an EOI) and bidding on federal minerals, and subsection (b) requires the Secretary to notify surface landowners and holders of commercial use permits when oil and gas leases are to be offered on lands that would affect their property or permits. Subsection (c) requires a surface use agreement between the operator and the surface landowner (if the owner is not the federal government) and provides additional safeguards for private surface owners overlying federal minerals. Subsection (c) also requires public notice and comment whenever lease stipulations are proposed to be waived or subject to an exception or modification.

Sec. 4. Lease stipulations

Section 4 amends the Energy Policy Act of 2005 (EPAct), and requires a revision to the DOI–USDA MOU developed under Section 363 of EPAct, to allow for more protective stipulations.

Sec. 5. Master leasing plans

Section 5 allows the Secretary to develop MLPs for an area where the criteria listed under BLM IM No. 2010–117 (the 2010 leasing reform policy) are met. These criteria include: a substantial portion of the area not being currently under lease; the predominance of Federal mineral interest in the area; expressions of interest from the oil and gas industry in leasing in the area; a moderate or high potential for oil and gas as confirmed by discoveries in the general area; and where further analysis or information is needed to address likely resource or cumulative impacts if oil and gas development were to occur. The Secretary is required to develop an MLP upon request by state or county governments, and must decide within 60 days on whether to initiate development of an MLP if requested via petition from a resident of the county or state where the MLP would be developed.

Sec. 6. Parcel review

Section 6 codifies the leasing reforms established by the Obama administration in BLM IM 2010–117. These reforms include interdisciplinary scientific review of potential parcels; site visits to nominated lands; 90-day public notice of lease sales; and enhanced NEPA requirements.

Sec. 7. Acreage limitations

Section 7 tightens the per-state oil and gas leasing acreage limitation by eliminating the language added by Section 352 of EPAct that exempts producing and unitized or communitized leases from counting against that limitation.

Sec. 8. Land management

Section 8 requires the BLM and USFS to continue to manage lands under lease for multiple-use until a company begins operations on the lease.

Sec. 9. Oil shale

Section 9 prohibits commercial oil shale leasing until technical and economic feasibility is established through the existing research and development program.

Sec. 10. Transparency in management of leases

Section 10 requires the Secretary to publish the identity of each oil and gas leaseholder and operator on a public website, as well as all lease transfers and lease stipulations. Also requires all previous lessees and operators to be identified.

Sec. 11. Lease cancellations for improper issuance

Section 11 clarifies that DOI can cancel leases under the MLA if those leases have been improperly issued.

Sec. 12. Fees for expressions of interest

Section 12 requires the BLM to charge a cost-recovery fee to each person that submits an oil and gas EOI. The fee would be equal to the amount that the Secretary determines is necessary to cover the cost of processing the EOI.

COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

Regarding clause 2(b)(1) of rule X and clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee on Natural Resources' oversight findings and recommendations are reflected in the body of this report.

COMPLIANCE WITH HOUSE RULE XIII AND CONGRESSIONAL BUDGET ACT

1. *Cost of Legislation and the Congressional Budget Act.* With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 and with respect to requirements of clause (3)(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has requested but not received a cost estimate for this bill from the Director of Congressional Budget Office. The Committee adopts as its own cost estimate the forthcoming cost estimate of the Director of the Congressional Budget Office, should such cost estimate be made available before House passage of the bill.

The Committee has requested but not received from the Director of the Congressional Budget Office a statement as to whether this bill contains any new budget authority, spending authority, credit authority, or an increase or decrease in revenues or tax expenditures.

2. *General Performance Goals and Objectives.* As required by clause 3(c)(4) of rule XIII, the general performance goals and objectives of this bill are to amend the Mineral Leasing Act to make certain adjustments in leasing on federal lands for oil and gas drilling.

EARMARK STATEMENT

This bill does not contain any Congressional earmarks, limited tax benefits, or limited tariff benefits as defined under clause 9(e), 9(f), and 9(g) of rule XXI of the Rules of the House of Representatives.

UNFUNDED MANDATES REFORM ACT STATEMENT

An estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act was not made available to the Committee in time for the filing of this report. The Chair of the Committee shall cause such estimate to be printed in the *Congressional Record* upon its receipt by the Committee.

EXISTING PROGRAMS

This bill does not establish or reauthorize a program of the federal government known to be duplicative of another program.

APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or

accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

PREEMPTION OF STATE, LOCAL, OR TRIBAL LAW

Any preemptive effect of this bill over state, local, or tribal law is intended to be consistent with the bill's purposes and text and the Supremacy Clause of Article VI of the U.S. Constitution.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, and existing law in which no change is proposed is shown in roman):

MINERAL LEASING ACT

* * * * * * *

SEC. 17. [(a) All lands subject to disposition under this Act which are known or believed to contain oil or gas deposits may be leased by the Secretary.]

(a) LEASING AUTHORITY.—

(1) IN GENERAL.—All lands subject to disposition under this Act that are known or believed to contain oil or gas deposits may be leased by the Secretary.

(2) RECEIPT OF FAIR MARKET VALUE.—Leasing activities under this Act shall be conducted to assure receipt of fair market value for the lands and resources leased and the rights conveyed by the United States.

(3) MASTER LEASING PLANS.—

(A) IN GENERAL.—The Secretary may adopt and implement a master leasing plan to govern the issuance of oil and gas leases under this Act for any Federal lands, in accordance with Bureau of Land Management Instruction Memorandum No. 2010–117, dated May 17, 2010, as in effect on April 24, 2017.

(B) FACTORS AND CONSIDERATIONS.—In deciding whether to adopt and implement a master leasing plan, the Secretary—

(i) shall consider the criteria set forth in Bureau of Land Management Instruction Memorandum No. 2010–117, dated May 17, 2010, as in effect on April 24, 2017; and

(ii) shall consider the benefits of avoiding conflicts between mineral leasing and other land uses, including conservation, recreation, and protection of cultural and historic resources.

(C) STATE REQUEST.—The Secretary shall adopt and implement a master leasing plan under subparagraph (A) applicable to leases for Federal lands in a State or county of a State, if requested by the government of such State or county, respectively.

(D) REQUEST BY AN INDIVIDUAL.—

(i) IN GENERAL.—Any individual who is a resident of a State or county of a State may submit a petition to the Secretary requesting that the Secretary adopt and implement a master leasing plan under subparagraph (A) applicable to the issuance of leases for Federal lands in such State or county, respectively.

(ii) CONSIDERATION.—If the Secretary receives such a petition, the Secretary shall, not later than 60 days after receiving such petition, issue a determination of whether or not the adoption and implementation of such a master leasing plan is appropriate.

(4) PARCEL REVIEW.—The Secretary shall issue oil and gas leases under this Act only in accordance with subsections C through I of section III of Bureau of Land Management Instruction Memorandum No. 2010–117, dated May 17, 2010, as in effect on April 24, 2017.

(5) TRANSPARENCY IN MANAGEMENT OF LEASES.—For each lease under this section, the Secretary shall make available on a public website—

(A) the identity of—

(i) each person who is or has been a lessee under the lease; and

(ii) each person who is or has been an operator under the lease;

(B) notice of each transfer of the lease; and

(C) notice of each suspension of operations, each suspension of production, and each suspension of operations and production.

(b)(1)**[**(A) All lands to be leased which are not subject to leasing under paragraphs (2) and (3) of this subsection shall be leased as provided in this paragraph to the highest responsible qualified bidder by competitive bidding under general regulations in units of not more than 2,560 acres, except in Alaska, where units shall be not more than 5,760 acres. Such units shall be as nearly compact as possible. Lease sales shall be conducted by oral bidding, except as provided in subparagraph (C). Lease sales shall be held for each State where eligible lands are available at least quarterly and more frequently if the Secretary of the Interior determines such sales are necessary. A lease shall be conditioned upon the payment of a royalty at a rate of not less than 12.5 percent in amount or value of the production removed or sold from the lease. The Secretary shall accept the highest bid from a responsible qualified bidder which is equal to or greater than the national minimum acceptable bid, without evaluation of the value of the lands proposed for lease. Leases shall be issued within 60 days following payment by the successful bidder of the remainder of the bonus bid, if any, and the annual rental for the first lease year. All bids for less than the national minimum acceptable bid shall be rejected. Lands for which no bids are received or for which the highest bid is less than the national minimum acceptable bid shall be offered promptly within 30 days for leasing under subsection (c) of this section and shall remain available for leasing for a period of 2 years after the competitive lease sale.**]**

[(B) The national minimum acceptable bid shall be $2 per acre for a period of 2 years from the date of enactment of the Federal

Onshore Oil and Gas Leasing Reform Act of 1987. Thereafter, the Secretary, subject to paragraph (2)(B), may establish by regulation a higher national minimum acceptable bid for all leases based upon a finding that such action is necessary: (i) to enhance financial returns to the United States; and (ii) to promote more efficient management of oil and gas resources on Federal lands. Ninety days before the Secretary makes any change in the national minimum acceptable bid, the Secretary shall notify the Committee on Natural Resources of the United States House of Representatives and the Committee on Energy and Natural Resources of the United States Senate. The proposal or promulgation of any regulation to establish a national minimum acceptable bid shall not be considered a major Federal action subject to the requirements of section 102(2)(C) of the National Environmental Policy Act of 1969.]

(A) COMPETITIVE BIDDING.—

(i) IN GENERAL.—All lands to be leased under this section shall be leased as provided in this paragraph to the highest responsible qualified bidder by competitive bidding by sealed bid.

(ii) GEOGRAPHIC LIMITATION.—The Secretary shall lease lands under this paragraph in units of not more than 2,560 acres, except in Alaska, where units shall be not more than 5,760 acres. Such units shall be as nearly compact as possible.

(iii) FREQUENCY.—Lease sales under this section shall be held for each State in which there are lands eligible for leasing no more than 3 times each year and on a rotating basis such that the lands under the responsibility of any Bureau of Land Management field office are available for leasing no more than one time each year.

(iv) ROYALTY.—A lease under this section shall be conditioned upon the payment of a royalty at a rate of not less than 18.5 percent in amount or value of the production removed or sold from the lease, except as otherwise provided in this Act.

(v) ISSUANCE OF LEASE.—The Secretary may issue a lease under this section to the responsible qualified bidder with the highest bid that is equal to or greater than the national minimum acceptable bid. The Secretary shall decide whether to accept a bid and issue a lease within 90 days following payment by the successful bidder of the remainder of the bonus bid, if any, and annual rental for the first lease year.

(vi) REJECTION OF BID.—The Secretary may reject a bid above the national minimum acceptable bid if, after evaluation of the value of the lands proposed for lease, the Secretary determines that the bid amount does not ensure that fair market value is obtained for the lease.

(B) NATIONAL MINIMUM ACCEPTABLE BID.—

(i) IN GENERAL.—The national minimum acceptable bid shall be $5 per acre. All bids under this section for less than the national minimum acceptable bid shall be rejected.

(ii) RAISING THE NATIONAL MINIMUM ACCEPTABLE BID.—The Secretary may establish a higher national minimum acceptable bid—

(I) beginning at the end of the four year period that begins on the date of enactment of the Restoring Community Input and Public Protection in Oil and Gas Leasing Act of 2020, at least once every 4 years, to reflect the change in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics; and

(II) at any time if the Secretary finds that such a higher amount is necessary to enhance financial returns to the United States or to promote more efficient management of oil and gas resources on Federal lands.

(iii) NOT A MAJOR FEDERAL ACTION.—The proposal or issuance of any regulation to establish a higher national minimum acceptable bid under clause (ii) shall not be considered a major Federal action that is subject to the requirements of section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)).

(C) In order to diversify and expand the Nation's onshore leasing program to ensure the best return to the Federal taxpayer, reduce fraud, and secure the leasing process, the Secretary may conduct onshore lease sales through Internet-based bidding methods. Each individual Internet-based lease sale shall conclude within 7 days.

(2)(A)(i) If the lands to be leased are within a special tar sand area, they shall be leased to the highest responsible qualified bidder by competitive bidding under general regulations in units of not more than 5,760 acres, which shall be as nearly compact as possible, upon the payment by the lessee of such bonus as may be accepted by the Secretary.

(ii) Royalty shall be 12½ per centum in amount of value of production removed or sold from the lease subject to section 17(k)(1)(c).

(iii) The Secretary may lease such additional lands in special tar sand areas as may be required in support of any operations necessary for the recovery of tar sands.

(iv) No lease issued under this paragraph shall be included in any chargeability limitation associated with oil and gas leases.

(B) For any area that contains any combination of tar sand and oil or gas (or both), the Secretary may issue under this Act, separately—

(i) a lease for exploration for and extraction of tar sand; and

(ii) a lease for exploration for and development of oil and gas.

(C) A lease issued for tar sand shall be issued using the same bidding process, annual rental, and posting period as a lease issued for oil and gas, except that the minimum acceptable bid required for a lease issued for tar sand shall be $2 per acre.

(D) The Secretary may waive, suspend, or alter any requirement under section 26 that a permittee under a permit authorizing prospecting for tar sand must exercise due diligence, to promote any resource covered by a combined hydrocarbon lease.

[(3)(A) If the United States held a vested future interest in a mineral estate that, immediately prior to becoming a vested present interest, was subject to a lease under which oil or gas was being produced, or had a well capable of producing, in paying quantities at an annual average production volume per well per day of either not more than 15 barrels per day of oil or condensate, or not more than 60,000 cubic feet of gas, the holder of the lease may elect to continue the lease as a noncompetitive lease under subsection (c)(1).

[(B) An election under this paragraph is effective—

[(i) in the case of an interest which vested after January 1, 1990, and on or before the date of enactment of this paragraph, if the election is made before the date that is 1 year after the date of enactment of this paragraph;

[(ii) in the case of an interest which vests within 1 year after the date of enactment of this paragraph, if the election is made before the date that is 2 years after the date of enactment of this paragraph; and

[(iii) in any case other than those described in clause (i) or (ii), if the election is made prior to the interest becoming a vested present interest.

[(C) Notwithstanding the consent requirement referenced in section 3 of the Mineral Leasing Act for Acquired Lands (30 U.S.C. 352), the Secretary shall issue a noncompetitive lease under subsection (c)(1) to a holder who makes an election under subparagraph (A) and who is qualified to hold a lease under this Act. Such lease shall be subject to all terms and conditions under this Act that are applicable to leases issued under subsection (c)(1).

[(D) A lease issued pursuant to this paragraph shall continue so long as oil or gas continues to be produced in paying quantities.

[(E) This paragraph shall apply only to those lands under the administration of the Secretary of Agriculture where the United States acquired an interest in such lands pursuant to the Act of March 1, 1911 (36 Stat. 961 and following).]

(3) BIDDER IDENTITY.—The Secretary—

(A) shall require that each expression of interest to bid for a lease under this section and each bid for a lease under this section shall include the name of the person for whom such expression of interest or bid is submitted; and

(B) shall promptly publish each such name.

[(c)(1) If the lands to be leased are not leased under subsection (b)(1) of this section or are not subject to competitive leasing under subsection (b)(2) of this section, the person first making application for the lease who is qualified to hold a lease under this Act shall be entitled to a lease of such lands without competitive bidding, upon payment of a non-refundable application fee of at least $75. A lease under this subsection shall be conditioned upon the payment of a royalty at a rate of 12.5 percent in amount or value of the production removed or sold from the lease. Leases shall be issued within 60 days of the date on which the Secretary identifies the first responsible qualified applicant.

[(2)(A) Lands (i) which were posted for sale under subsection (b)(1) of this section but for which no bids were received or for which the highest bid was less than the national minimum acceptable bid and (ii) for which, at the end of the period referred to in

subsection (b)(1) of this section no lease has been issued and no lease application is pending under paragraph (1) of this subsection, shall again be available for leasing only in accordance with subsection (b)(1) of this section.

[(B) The land in any lease which is issued under paragraph (1) of this subsection or under subsection (b)(1) of this section which lease terminates, expires, is cancelled or is relinquished shall again be available for leasing only in accordance with subsection (b)(1) of this section.

[(d) All leases issued under this section, as amended by the Federal Onshore Oil and Gas Leasing Reform Act of 1987, shall be conditioned upon payment by the lessee of a rental of not less than $1.50 per acre per year for the first through fifth years of the lease and not less than $2 per acre per year for each year thereafter. A minimum royalty in lieu of rental of not less than the rental which otherwise would be required for that lease year shall be payable at the expiration of each lease year beginning on or after a discovery of oil or gas in paying quantities on the lands leased.]

(c) Lands made available for leasing under subsection (b)(1) but for which no bid is accepted may be made available by the Secretary for a new round of sealed bidding under such subsection.

(d) ANNUAL RENTALS.—All leases issued under this section shall be conditioned upon the payment by the lessee of a rental of—

(1) not less than $3.00 per acre per year during the 2-year period beginning on the date the lease begins for new leases, and after the end of such two year period not less than $5 per acre per year; or

(2) such higher rental rate as the Secretary may establish if the Secretary finds that such action is necessary to enhance financial returns to the United States and promote more efficient management of oil and gas and alternative energy resources on Federal lands.

(e) [Competitive and noncompetitive leases] *Leases, including leases for tar sand areas,* issued under this section shall be for a primary term of [10 years:] *5 years.* [*Provided, however,* That competitive leases issued in special tar sand areas shall also be for a primary term of ten years.] Each such lease shall continue so long after its primary term as oil or gas is produced in paying quantities. Any lease issued under this section for land on which, or for which under an approved cooperative or unit plan of development or operation, actual drilling operations were commenced prior to the end of its primary term and are being diligently prosecuted at that time shall be extended for two years and so long thereafter as oil or gas is produced in paying quantities.

(f) [At least 45 days before offering lands for lease under this section, and at least 30 days before approving applications for permits to drill under the provisions of a lease or substantially modifying the terms of any lease issued under this section, the Secretary shall provide notice of the proposed action. Such notice shall be posted in the appropriate local office of the leasing and land management agencies.]

(1) REQUIRED NOTICE.—At least 45 days before offering lands for lease under this section, and at least 30 days before approving applications for permits to drill under the provisions of a lease, modifying the terms of any lease issued under this sec-

tion, or granting a waiver, exception, or modification of any stipulation of a lease issued under this section, the Secretary shall provide notice of the proposed action to—

(A) the general public by posting such notice in the appropriate local office and on the electronic website of the leasing and land management agencies offering the lands for lease;

(B) all surface land owners in the area of the lands being offered for lease; and

(C) the holders of special recreation permits for commercial use, competitive events, and other organized activities on the lands being offered for lease.

(2) REQUIRED INFORMATION.—Such notice shall include the terms or modified lease terms and maps or a narrative description of the affected lands. Where the inclusion of maps in such notice is not practicable, maps of the affected lands shall be made available to the public for review. Such maps shall show the location of all tracts to be leased, and of all leases already issued in the general area. The requirements of this subsection are in addition to any public notice required by other law.

(g) ⟦The Secretary⟧ *(1) IN GENERAL.—The Secretary* of the Interior, or for National Forest lands, the Secretary of Agriculture, shall regulate all surface-disturbing activities conducted pursuant to any lease issued under this Act, and shall determine reclamation and other actions as required in the interest of conservation of surface resources. No permit to drill on an oil and gas lease issued under this Act may be granted without the analysis and approval by the Secretary concerned of a plan of operations covering proposed surface-disturbing activities within the lease area. The Secretary concerned shall, by rule or regulation, establish such standards as may be necessary to ensure that an adequate bond, surety, or other financial arrangement will be established prior to the commencement of surface-disturbing activities on any lease, to ensure the complete and timely reclamation of the lease tract, and the restoration of any lands or surface waters adversely affected by lease operations after the abandonment or cessation of oil and gas operations on the lease. The Secretary shall not issue a lease or leases or approve the assignment of any lease or leases under the terms of this section to any person, association, corporation, or any subsidiary, affiliate, or person controlled by or under common control with such person, association, or corporation, during any period in which, as determined by the Secretary of the Interior or Secretary of Agriculture, such entity has failed or refused to comply in any material respect with the reclamation requirements and other standards established under this section for any prior lease to which such requirements and standards applied. Prior to making such determination with respect to any such entity the concerned Secretary shall provide such entity with adequate notification and an opportunity to comply with such reclamation requirements and other standards and shall consider whether any administrative or judicial appeal is pending. Once the entity has complied with the reclamation requirement or other standard concerned an oil or gas lease may be issued to such entity under this Act.

(2) LIMITATION.—The Secretary shall not issue a lease or approve the assignment of any lease to any person, or to any sub-

sidiary or affiliate of such person or any other person controlled by or under common control with such person, unless such person has the demonstrated capability to explore and produce oil and gas under the lease.

(3) PROTECTION OF LEASED LANDS FOR OTHER USES.—Each lease under this section shall include such terms as are necessary to preserve the United States flexibility to control or prohibit activities that pose serious and unacceptable impacts to the value of the leased lands for uses other than production of oil and gas.

(4) MULTIPLE-USE MANAGEMENT.—The Secretary, and for National Forest lands, the Secretary of Agriculture, shall manage lands that are subject to an oil and gas lease under this Act in accordance with the principles, policies, and requirements relating to multiple use under the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.), until the beginning of operations on such lease.

(h) The Secretary of the Interior may not issue any lease on National Forest System Lands reserved from the public domain over the objection of the Secretary of Agriculture.

(i) No lease issued under this section which is subject to termination because of cessation of production shall be terminated for this cause so long as reworking or drilling operations which were commenced on the land prior to or within sixty days after cessation of production are conducted thereon with reasonable diligence, or so long as oil or gas is produced in paying quantities as a result of such operations. No lease issued under this section shall expire because operations or production is suspended under any order, or with the consent, of the Secretary. No lease issued under this section covering lands on which there is a well capable of producing oil or gas in paying quantities shall expire because the lessee fails to produce the same unless the lessee is allowed a reasonable time, which shall be not less than sixty days after notice by registered or certified mail, within which to place such well in producing status or unless, after such status is established, production is discontinued on the leased premises without permission granted by the Secretary under the provisions of this Act.

(j) Whenever it appears to the Secretary that lands owned by the United States are being drained of oil or gas by wells drilled on adjacent lands, he may negotiate agreements whereby the United States, or the United States and its lessees, shall be compensated for such drainage. Such agreements shall be made with the consent of the lessees, if any, affected thereby. If such agreement is entered into, the primary term of any lease for which compensatory royalty is being paid, or any extension of such primary term, shall be extended for the period during which such compensatory royalty is paid and for a period of one year from discontinuance of such payment and so long thereafter as oil or gas is produced in paying quantities.

(k) If, during the primary term or any extended term of any lease issued under this section, a verified statement is filed by any mining claimant pursuant to subsection (c) of section 7 of the Multiple Mineral Development Act of August 13, 1954 (68 Stat. 708), as amended (30 U.S.C. 527), whether such filing occur prior to enactment of the Mineral Leasing Act Revision of 1960 or thereafter, as-

serting the existence of a conflicting unpatented mining claim or claims upon which diligent work is being prosecuted as to any lands covered by the lease, the running of time under such lease shall be suspended as to the lands involved from the first day of the month following the filing of such verified statement until a final decision is rendered in the matter.

(l) The Secretary of the Interior shall, upon timely application therefor, issue a new lease in exchange for any lease issued for a term of twenty years, or any renewal thereof, or any lease issued prior to August 8, 1946, in exchange for a twenty-year lease, such new lease to be for a primary term of five years and so long thereafter as oil or gas is produced in paying quantities and at a royalty rate of not less than 12½ per centum in amount of value of the production removed or sold from such leases, except that the royalty rate shall be 12½ per centum in amount or value of the production removed or sold from said leases as to (1) such leases, or such parts of the lands subject thereto and the deposits underlying the same, as are not believed to be within the productive limits of any producing oil or gas deposit, as such productive limits are found by the Secretary to have existed on August 8, 1946; and (2) any production on a lease from an oil or gas deposit which was discovered after May 27, 1941, by a well or wells drilled within the boundaries of the lease, and which is determined by the Secretary to be a new deposit; and (3) any production on or allocated to a lease pursuant to an approved cooperative or unit plan of development or operation from an oil or gas deposit which was discovered after May 27, 1941, on land committed to such plan, and which is determined by the Secretary to be a new deposit, where such lease, or a lease for which it is exchanged, was included in such plan at the time of discovery or was included in a duly executed and filed application for the approval of such plan at the time of discovery.

(m) For the purpose of more properly conserving the natural resources of any oil or gas pool, field, or like area, or any part thereof (whether or not any part of said oil or gas pool, field, or like area, is then subject to any cooperative or unit plan of development or operation), lessees thereof and their representatives may unite with each other, or jointly or separately with others, in collective adopting and operating under a cooperative or unit plan of development or operation of such pool, field, or like area, or any part thereof, whenever determined and certified by the Secretary of the Interior to be necessary or advisable in the public interest. The Secretary is thereunto authorized, in his discretion, with the consent of the holders of leases involved, to establish, alter, change, or revoke drilling, producing, rental, minimum royalty, and royalty requirements of such leases and to make such regulations with reference to such leases, with like consent on the part of the lessees, in connection with the institution and operation of any such cooperative or unit plan as he may deem necessary or proper to secure the proper protection of the public interest. The Secretary may provide that oil and gas leases hereafter issued under this Act shall contain a provision requiring the lessee to operate under such a reasonable cooperative or unit plan, and he may prescribe such a plan under which such lessee shall operate, which shall adequately protect the rights of all parties in interest, including the United States.

Any plan authorized by the preceding paragraph which includes lands owned by the United States may, in the discretion of the Secretary, contain a provision whereby authority is vested in the Secretary of the Interior, or any such person, committee, or State or Federal officer or agency as may be designated in the plan, to alter or modify from time to time the rate of prospecting and development and the quantity and rate of production under such plan. All leases operated under any such plan approved or prescribed by the Secretary shall be excepted in determining holdings or control under the provisions of any section of this Act.

When separate tracts cannot be independently developed and operated in conformity with an established well-spacing or development program, any lease, or a portion thereof, may be pooled with other lands, whether or not owned by the United States, under a communitization or drilling agreement providing for an apportionment of production or royalties among the separate tracts of land comprising the drilling or spacing unit when determined by the Secretary of the Interior to be in the public interest, and operations or production pursuant to such an agreement shall be deemed to be operations or production as to each such lease committed thereto.

Any lease issued for a term of twenty years, or any renewal thereof, or any portion of such lease that has become the subject of a cooperative or unit plan of development or operation of a pool, field, or like area, which plan has the approval of the Secretary of the Interior, shall continue in force until the termination of such plan. Any other lease issued under any section of this Act which has heretofore or may hereafter be committed to any such plan that contains a general provision for allocation of oil or gas shall continue in force and effect as to the land committed so long as the lease remains subject to the plan: *Provided,* That production is had in paying quantities under the plan prior to the expiration date of the term of such lease. Any lease heretofore or hereafter committed to any such plan embracing lands that are in part within and in part outside of the area covered by any such plan shall be segregated into separate leases as to the lands committed and the lands not committed as of the effective date of unitization: *Provided, however,* That any such lease as to the nonunitized portion shall continue in force and effect for the term thereof but for not less than two years from the date of such segregation and so long thereafter as oil or gas is produced in paying quantities. The minimum royalty or discovery rental under any lease that has become subject to any cooperative or unit plan of development or operation, or other plan that contains a general provision for allocation of oil or gas, shall be payable only with respect to the lands subject to such lease to which oil or gas shall be allocated under such plan. Any lease which shall be eliminated from any such approved or prescribed plan, or from any communitization or drilling agreement authorized by this section, and any lease which shall be in effect at the termination of any such approved or prescribed plan, or at the termination of any such communitization or drilling agreement, unless relinquished, shall continue in effect for the original term thereof, but for not less than two years, and so long thereafter as oil or gas is produced in paying quantities.

The Secretary of the Interior is hereby authorized, on such conditions as he may prescribe, to approve operating, drilling, or development contracts made by one or more lessees of oil or gas leases, with one or more persons, associations, or corporations whenever, in his discretion, the conservation of natural products or the public convenience or necessity may require it or the interests of the United States may be best subserved thereby. All leases operated under such approved operating, drilling, or development contracts, and interests thereunder, shall be excepted in determining holdings or control under the provisions of this Act.

The Secretary of the Interior, to avoid waste or to promote conservation of natural resources, may authorize the subsurface storage of oil or gas, whether or not produced from federally owned lands, in lands leased or subject to lease under this Act. Such authorization may provide for the payment of a storage fee or rental on such stored oil or gas or, in lieu of such fee or rental, for a royalty other than that prescribed in the lease when such stored oil or gas is produced in conjunction with oil or gas not previously produced. Any lease on which storage is so authorized shall be extended at least for the period of storage and so long thereafter as oil or gas not previously produced is produced in paying quantities.

(n)(1)(A) The owner of (1) an oil and gas lease issued prior to the date of enactment of the Combined Hydrocarbon Leasing Act of 1981 or (2) a valid claim to any hydrocarbon resources leasable under this section based on a mineral location made prior to January 21, 1926, and located within a special tar sand area shall be entitled to convert such lease or claim to a combined hydrocarbon lease for a primary term of ten years upon the filing of an application within two years from the date of enactment of that Act containing an acceptable plan of operations which assures reasonable protection of the environment and diligent development of those resources requiring enhanced recovery methods of development or mining. For purposes of conversion, no claim shall be deemed invalid solely because it was located as a placer location rather than a lode location or vice versa, notwithstanding any previous adjudication on that issue.

(B) The Secretary shall issue final regulations to implement this section within six months of the effective date of this Act. If any oil and gas lease eligible for conversion under this section would otherwise expire after the date of this Act and before six months following the issuance of implementing regulations, the lessee may preserve his conversion right under such lease for a period ending six months after the issuance of implementing regulations by filing with the Secretary, before the expiration of the lease, a notice of intent to file an application for conversion. Upon submission of a complete plan of operations in substantial compliance with the regulations promulgated by the Secretary for the filing of such plans, the Secretary shall suspend the running of the term of any oil and gas lease proposed for conversion until the plan is finally approved or disapproved. The Secretary shall act upon a proposed plan of operations within fifteen months of its submittal.

(C) When an existing oil and gas lease is converted to a combined hydrocarbon lease, the royalty shall be that provided for in the original oil and gas lease and for a converted mining claim, 12½

per centum in amount or value of production removed or sold from the lease.

(2) Except as provided in this section, nothing in the Combined Hydrocarbon Leasing Act of 1981 shall be construed to diminish or increase the rights of any lessee under any oil and gas lease issued prior to the enactment of such Act.

(o) CERTAIN OUTSTANDING OIL AND GAS.—(1) Prior to the commencement of surface-disturbing activities relating to the development of oil and gas deposits on lands described under paragraph (5), the Secretary of Agriculture shall require, pursuant to regulations promulgated by the Secretary, that such activities be subject to terms and conditions as provided under paragraph (2).

(2) The terms and conditions referred to in paragraph (1) shall require that reasonable advance notice be furnished to the Secretary of Agriculture at least 60 days prior to the commencement of surface disturbing activities.

(3) Advance notice under paragraph (2) shall include each of the following items of information:

(A) A designated field representative.

(B) A map showing the location and dimensions of all improvements, including but not limited to, well sites and road and pipeline accesses.

(C) A plan of operations, of an interim character if necessary, setting forth a schedule for construction and drilling.

(D) A plan of erosion and sedimentation control.

(E) Proof of ownership of mineral title.

Nothing in this subsection shall be construed to affect any authority of the State in which the lands concerned are located to impose any requirements with respect to such oil and gas operations.

(4) The person proposing to develop oil and gas deposits on lands described under paragraph (5) shall either—

(A) permit the Secretary to market merchantable timber owned by the United States on lands subject to such activities; or

(B) arrange to purchase merchantable timber on lands subject to such surface disturbing activities from the Secretary of Agriculture, or otherwise arrange for the disposition of such merchantable timber, upon such terms and upon such advance notice of the items referred to in subparagraphs (A) through (E) of paragraph (3) as the Secretary may accept.

(5)(A) The lands referred to in this subsection are those lands referenced in subparagraph (B) which are under the administration of the Secretary of Agriculture where the United States acquired an interest in such lands pursuant to the Act of March 1, 1911 (36 Stat. 961 and following), but does not have an interest in oil and gas deposits that may be present under such lands. This subsection does not apply to any such lands where, under the provisions of its acquisition of an interest in the lands, the United States is to acquire any oil and gas deposits that may be present under such lands in the future but such interest has not yet vested with the United States.

(B) This subsection shall only apply in the Allegheny National Forest.

(p) DEADLINES FOR CONSIDERATION OF APPLICATIONS FOR PERMITS.—

(1) IN GENERAL.—Not later than 10 days after the date on which the Secretary receives an application for any permit to drill, the Secretary shall—

(A) notify the applicant that the application is complete; or

(B) notify the applicant that information is missing and specify any information that is required to be submitted for the application to be complete.

(2) ISSUANCE OR DEFERRAL.—Not later than 30 days after the applicant for a permit has submitted a complete application, the Secretary shall—

(A) issue the permit, if the requirements under the National Environmental Policy Act of 1969 and other applicable law have been completed within such timeframe; or

(B) defer the decision on the permit and provide to the applicant a notice—

(i) that specifies any steps that the applicant could take for the permit to be issued; and

(ii) a list of actions that need to be taken by the agency to complete compliance with applicable law together with timelines and deadlines for completing such actions.

(3) REQUIREMENTS FOR DEFERRED APPLICATIONS.—

(A) IN GENERAL.—If the Secretary provides notice under paragraph (2)(B), the applicant shall have a period of 2 years from the date of receipt of the notice in which to complete all requirements specified by the Secretary, including providing information needed for compliance with the National Environmental Policy Act of 1969.

(B) ISSUANCE OF DECISION ON PERMIT.—If the applicant completes the requirements within the period specified in subparagraph (A), the Secretary shall issue a decision on the permit not later than 10 days after the date of completion of the requirements described in subparagraph (A), unless compliance with the National Environmental Policy Act of 1969 and other applicable law has not been completed within such timeframe.

(C) DENIAL OF PERMIT.—If the applicant does not complete the requirements within the period specified in subparagraph (A) or if the applicant does not comply with applicable law, the Secretary shall deny the permit.

* * * * * * *

SEC. 21. (a)(1) [The Secretary of the Interior] *Subject to paragraph (6), the Secretary of the Interior* is hereby authorized to lease to any person or corporation qualified under this Act any deposit of oil shale, and gilsonite (including all vein-type solid hydrocarbons) belonging to the United States and the surface of so much of the public lands containing such deposits, or land adjacent thereto, as may be required for the extraction and reduction of the leased minerals, under such rules and regulations, not inconsistent with this Act, as he may prescribe.

(2) No lease hereunder shall exceed 5,760 acres of land, to be described by the legal subdivisions of the public-land surveys, or if unsurveyed, to be surveyed by the United States, at

the expense of the applicant, in accordance with regulations to be prescribed by the Secretary of the Interior.

(3) Leases may be for indeterminate periods, upon such conditions as may be imposed by the Secretary of the Interior, including covenants relative to methods of mining, prevention of waste, and productive development.

(4) For the privilege of mining, extracting, and disposing of the oil or other minerals covered by a lease under this section the lessee shall pay to the United States such royalties as shall be specified in the lease and an annual rental, payable at the beginning of each year, at the rate of $2.00 per acre per annum, for the lands included in the lease, the rental paid for any one year to be credited against the royalties accruing for that year; such royalties to be subject to readjustment at the end of each twenty-year period by the Secretary of the Interior: *Provided,* That for the purpose of encouraging the production of petroleum products from shales the Secretary may, in his discretion, waive the payment of any royalty and rental during the first five years of any lease: *Provided,* That any person having a valid claim to such minerals under existing laws on January 1, 1919, shall, upon the relinquishment of such claim, be entitled to a lease under the provisions of this section for such area of the land relinquished as shall not exceed the maximum area authorized by this section to be leased to an individual or corporation: *Provided, however,* That no claimant for a lease who has been guilty of any fraud or who had knowledge or reasonable grounds to know of any fraud, or who has not acted honestly and in good faith, shall be entitled to any of the benefits of this section: *Provided further,* That no one person, association, or corporation shall acquire or hold more than 50,000 acres of oil shale leases in any one State. For native asphalt, solid and semisolid bitumen, and bituminous rock (including oil-impregnated rock or sands from which oil is recoverable only by special treatment after the deposit is mined or quarried) no person, association, or corporation shall acquire or hold more than seven thousand six hundred eighty acres in any one State without respect to the number of leases.

(5) No lease issued under this section shall be included in any chargeability limitation associated with oil and gas leases.

(6) Beginning on the date of enactment of the Restoring Community Input and Public Protections in Oil and Gas Leasing Act of 2020, The Secretary may not issue any lease for oil shale under this Act before the date the Secretary issues a finding that the technical and economic feasibility of development of and production from such deposit has been demonstrated under section 369 of the Energy Policy Act of 2005 (42 U.S.C. 15927).

(b) If an offer for a lease under the provisions of this section for deposits other than oil shale is based upon a mineral location, the validity of which might be questioned because the claim was based on a placer location rather than on a lode location, or vice versa, the offeror shall have a preference right to a lease if the offer is filed not more than one year after the enactment of the Mineral Leasing Act Revision of 1960.

(c) With respect to gilsonite (including all vein-type solid hydrocarbons) a lease under the multiple use principle may issue not-

withstanding the existence of an outstanding lease issued under any other provision of this Act.

(c)(1) The Secretary may within the State of Colorado lease to the holder of the Federal oil shale lease known as Federal Prototype Tract C–a additional lands necessary for disposal of oil shale wastes and the materials removed from mined lands, and for the building of plants, reduction works, and other facilities connected with oil shale operations (which lease shall be referred to hereinafter as an "offsite lease"). The Secretary may only issue one offsite lease not to exceed six thousand four hundred acres. An offsite lease may not serve more than one Federal oil shale lease and may not be transferred except in conjunction with the transfer of the Federal oil shale lease that it serves.

(2) The Secretary may issue one offsite lease of not more than three hundred and twenty acres to any person, association or corporation which has the right to develop oil shale on non-Federal lands. An offsite lease serving non-Federal oil shale land may not serve more than one oil shale operation and may not be transferred except in conjunction with the transfer of the non-Federal oil shale land that it serves. Not more than two offsite leases may be issued under this paragraph.

(3) An offsite lease shall include no rights to any mineral deposits.

(4) The Secretary may issue offsite leases after consideration of the need for such lands, impacts on the environment and other resource values, and upon a determination that the public interest will be served thereby.

(5) An offsite lease for lands the surface of which is under the jurisdiction of a Federal agency other than the Department of the Interior shall be issued only with the consent of that other Federal agency and shall be subject to such terms and conditions as it may prescribe.

(6) An offsite lease shall be for such periods of time and shall include such lands, subject to the acreage limitations contained in this subsection, as the Secretary determines to be necessary to achieve the purposes for which the lease is issued, and shall contain such provisions as he determines are needed for protection of environmental and other resource values.

(7) An offsite lease shall provide for the payment of an annual rental which shall reflect the fair market value of the rights granted and which shall be subject to such provisions as the Secretary, in his discretion, determines may be needed from time to time to continue to reflect the fair market value.

(8) An offsite lease may, at the option of the lessee, include provisions for payments in any year which payments shall be credited against any portion of the annual rental for a subsequent year to the extent that such payment is payable by the Secretary of the Treasury under section 35 of this Act to the State within the boundaries of which the leased lands are located. Such funds shall be paid by the Secretary of the Treasury to the appropriate State in accordance with section 35, and such funds shall be distributed by the State only to those counties, municipalities, or jurisdictional subdivisions impacted by oil shale development and/or where the lease is sited.

(9) An offsite lease shall remain subject to leasing under the other provisions of this Act where such leasing would not be incompatible with the offsite lease.

(d) In recognition of the unique character of oil shale development:

(1) In determining whether to offer or issue an offsite lease under subsection (c), the Secretary shall consult with the Governor and appropriate State, local, and tribal officials of the State where the lands to be leased are located, and of any additional State likely to be affected significantly by the social, economic, or environmental effects of development under such lease, in order to coordinate Federal and State planning processes, minimize duplication of permits, avoid delays, and anticipate and mitigate likely impacts of development.

(2) The Secretary may issue an offsite lease under subsection (d) after consideration of (A) the need for leasing, (B) impacts on the environment and other resource values, (C) socioeconomic factors, and (D) information from consultations with the Governors of the affected States.

(3) Before determining whether to offer an offsite lease under subsection (c), the Secretary shall seek the recommendation of the Governor of the State in which the lands to be leased are located as to whether or not to lease such lands, what alternative actions are available, and what special conditions could be added to the proposed lease to mitigate impacts. The Secretary shall accept the recommendations of the Governor if he determines that they provide for a reasonable balance between the national interest and the State's interests. The Secretary shall communicate to the Governor, in writing, and publish in the Federal Register the reasons for his determination to accept or reject such Governor's recommendations.

* * * * * * *

SEC. 27. (a) COAL LEASES.—No person, association, or corporation, or any subsidiary, affiliate, or persons controlled by or under common control with such person, association, or corporation shall take, hold, own or control at one time, whether acquired directly from the Secretary under this Act or otherwise, coal leases or permits on an aggregate of more than 75,000 acres in any one State and in no case greater than an aggregate of 150,000 acres in the United States: *Provided,* That any person, association, or corporation currently holding, owning, or controlling more than an aggregate of 150,000 acres in the United States on the date of enactment of this section shall not be required on account of this section to relinquish said leases or permits: *Provided, further,* That in no case shall such person, association, or corporation be permitted to take, hold, own, or control any further Federal coal leases or permits until such time as their holdings, ownership, or control of Federal leases or permits has been reduced below an aggregate of 150,000 acres within the United States.

(b)(1) No person, association, or corporation, except as otherwise provided in this subsection, shall take, hold, own, or control at one time, whether acquired directly from the Secretary under this Act or otherwise, sodium leases or permits on an aggregate of more than five thousand one hundred and twenty acres in any one State.

(2) The Secretary may, in his discretion, where the same is necessary in order to secure the economic mining of sodium com-

pounds leasable under this Act, permit a person, association, or corporation to take or hold sodium leases or permits on up to 30,720 acres in any one State.

(c) No person, association, or corporation shall take, hold, own, or control at one time, whether acquired directly from the Secretary under this Act or otherwise, phosphate leases or permits on an aggregate of more than twenty thousand four hundred and eighty acres in the United States.

(d)(1) No person, association, or corporation, except as otherwise provided in this Act, shall take, hold, own or control at one time, whether acquired directly from the Secretary under this Act or otherwise, oil or gas leases (including options for such leases or interests therein) on land held under the provisions of this Act exceeding in the aggregate two hundred forty-six thousand and eighty acres in any one State other than Alaska: *Provided, however,* That acreage held in special tar sand areas[, and acreage under any lease any portion of which has been committed to a federally approved unit or cooperative plan or communitization agreement or for which royalty (including compensatory royalty or royalty in-kind) was paid in the preceding calendar year,] shall not be chargeable against such State limitations. In the case of the State of Alaska, the limit shall be three hundred thousand acres in the northern leasing district and three hundred thousand acres in the southern leasing district, and the boundary between said two districts shall be the left limit of the Tanana River from the border between the United States and Canada to the confluence of the Tanana and Yukon Rivers, and the left limit of the Yukon River from said confluence to its principal southern mouth.

(2) No person, association, or corporation shall take, hold, own, or control at one time options to acquire interests in oil or gas leases under the provisions of this Act which involve, in the aggregate, more than two hundred thousand acres of land in any one State other than Alaska or, in the case of Alaska, more than two hundred thousand acres in each of its two leasing districts, as hereinbefore described. No option to acquire any interest in such an oil or gas lease shall be enforcible if entered into for a period of more than three years (which three years shall be inclusive of any renewal period if a right to renew is reserved by any party to the option) without the prior approval of the Secretary. In any case in which an option to acquire the optionor's entire interest in the whole or a part of the acreage under a lease is entered into, the acreage to which the option is applicable shall be charged both to the optionor and to the optionee, but the charge to the optionor shall cease when the option is exercised. In any case in which an option to acquire a part of the optionor's interest in the whole or a part of the acreage under a lease is entered into, the acreage to which the option is applicable shall be fully charged to the optionor and a share thereof shall also be charged to the optionee as his interest may appear, but after the option is exercised said acreage shall be charged to the parties pro rata as their interests may appear. In any case in which an assignment is made of a part of a lessee's interest in the whole or part of the acreage under a lease or an application for a lease, the acreage shall be charged to the parties pro rata as their interests may appear. No option or renewal thereof shall be enforcible until notice thereof has been filed

with the Secretary or an officer or employee of the the Department of the Interior designated by him to receive the same. Each such notice shall include, in addition to any other matters prescribed by the Secretary, the names and addresses of the parties thereto, the serial number of the lease or application for a lease to which the option is applicable, and a statement of the number of acres covered thereby and of the interests and obligations of the parties thereto and shall be subscribed by all parties to the option or their duly authorized agents. An option which has not been exercised shall remain charged as hereinbefore provided until notice of its relinquishment or surrender has been filed, by either party, with the Secretary or any officer or employee of the Department of the Interior designated by him to receive the same. In addition each holder of any such option shall file with the Secretary or an officer or employee of the Department of the Interior as aforesaid within ninety days after the 30th day of June and the 31st day of December in each year a statement showing, in addition to any other matters prescribed by the Secretary, his name, the name and address of each grantor of an option held by him, the serial number of every lease or application for a lease to which such an option is applicable, the number of acres covered by each such option, the total acreage in each State to which such options are applicable, and his interest and obligation under each such option. The failure of the holder of an option so to file shall render the option unenforcible by him. The unenforcibility of any option under the provisions of this paragraph shall not diminish the number of acres deemed to be held under option by any person, association, or corporation in computing the amount chargeable under the first sentence of this paragraph and shall not relieve any party thereto of any liability to cancellation, forfeiture, forced disposition, or other sanction provided by law. The Secretary may prescribe forms on which the notice and statements required by this paragraph shall be made.

(e)(1) No person, association, or corporation shall take, hold, own or control at one time any interest as a member of an association or as a stockholder in a corporation holding a lease, option, or permit under the provisions of this Act which, together with the area embraced in any direct holding, ownership or control by him of such a lease, option, or permit or any other interest which he may have as a member of other associations or as a stockholder in other corporations holding, owning or controlling such leases, options, or permits for any kind of minerals, exceeds in the aggregate an amount equivalent to the maximum number of acres of the respective kinds of minerals allowed to any one lessee, optionee, or permittee under this Act, except that no person shall be charged with his pro rata share of any acreage holdings of any association or corporation unless he is the beneficial owner of more than 10 per centum of the stock or other instruments of ownership or control of such association or corporation, and except that within three years after the enactment of the Mineral Leasing Act Revision of 1960 no valid option in existence prior to the enactment of said Act held by a corporation or association at the time of enactment of said Act shall be chargeable to any stockholder of such corporation or to a member of such association so long as said option shall be so held by such corporation or association under the provisions of this Act.

(2) No contract for development and operation of any lands leased under this Act, whether or not coupled with an interest in such lease, and no lease held, owned, or controlled in common by two or more persons, associations, or corporations shall be deemed to create a separate association under the preceding paragraph of this subsection between or among the contracting parties or those who hold, own or control the lease in common, but the proportionate interest of each such party shall be charged against the total acreage permitted to be held, owned or controlled by such party under this Act. The total acreage so held, owned, or controlled in common by two or more parties shall not exceed, in the aggregate, an amount equivalent to the maximum number of acres of the respective kinds of minerals allowed to any one lessee, optionee, or permittee under this Act.

(f) Nothing contained in subsection (e) of this section shall be construed (i) to limit sections 18, 19, and 22 of this Act or (ii) subject to the approval of the Secretary, to prevent any number of lessees under this Act from combining their several interests so far as may be necessary for the purpose of constructing and carrying on the business of a refinery or of establishing and constructing, as a common carrier, a pipeline or railroad to be operated and used by them jointly in the transportation of oil from their several wells or from the wells of other lessees under this Act or in the transportation of coal or (iii) to increase the acreage which may be taken, held, owned, or controlled under section 27 of this Act.

(g) Any ownership or interest otherwise forbidden in this Act which may be acquired by descent, will, judgment, or decree may be held for two years after its acquisition and no longer.

(h)(1) If any interest in any lease is owned, or controlled, directly or indirectly, by means of stock or otherwise, in violation of any of the provisions of this Act, the lease may be canceled, or the interest so owned may be forfeited, or the person so owning or controlling the interest may be compelled to dispose of the interest, in any appropriate proceeding instituted by the Attorney General. Such a proceeding shall be instituted in the United States district court for the district in which the leased property or some part thereof is located or in which the defendant may be found.

(2) The right to cancel or forfeit for violation of any of the provisions of this Act shall not apply so as to affect adversely the title or interest of a bona fide purchaser of any lease, interest in a lease, option to acquire a lease or an interest therein, or permit which lease, interest, option, or permit was acquired and is held by a qualified person, association, or corporation in conformity with those provisions, even though the holdings of the person, association, or corporation from which the lease, interest, option, or permit was acquired, or of his predecessor in title (including the original lessee of the United States) may have been canceled or forfeited or may be or have been subject to cancellation or forfeiture for any such violation. If, in any such proceeding, an underlying lease, interest, option, or permit is canceled or forfeited to the Government and there are valid interests therein or valid options to acquire the lease or an interest therein which are not subject to cancellation, forfeiture, or compulsory disposition, the underlying lease, interest, option, or permit shall be sold by the Secretary to the highest responsible qualified bidder by competitive bidding under general

regulations subject to all outstanding valid interests therein and valid options pertaining thereto. Likewise if, in any such proceeding, less than the whole interest in a lease, interest, option, or permit is canceled or forfeited to the Government, the partial interests so canceled or forfeited shall be sold by the Secretary to the highest responsible qualified bidder by competitive bidding under general regulations. If competitive bidding fails to produce a satisfactory offer the Secretary may, in either of these cases, sell the interest in question by such other method as he deems appropriate on terms not less favorable to the Government than those of the best competitive bid received.

(3) The commencement and conclusion of every proceeding under this subsection shall be promptly noted on the appropriate public records of the Bureau of Land Management.

(i) Effective September 21, 1959, any person, association, or corporation who is a party to any proceeding with respect to a violation of any provision of this Act, whether initiated prior to said date or thereafter, shall have the right to be dismissed promptly as such a part upon showing that he holds and acquired as a bona fide purchaser the interest involving him as such a party without violating any provisions of this Act. No hearing upon any such showing shall be required unless the Secretary presents prima facie evidence indicating a possible violation of the Mineral Leasing Act on the part of the alleged bona fida purchaser.

(j) If during any such proceeding, a party thereto files with the Secretary a waiver of his rights under his lease (including particularly, where applicable, rights to drill and to assign) or if such rights are suspended by the Secretary pending a decision in the proceeding, whether initiated prior to enactment of this Act or thereafter, payment or rentals and running of time against the term of the lease or leases involved shall be suspended as of the first day of the month following the filing of the waiver or suspension of the rights until the first day of the month following the final decision in the proceeding or the revocation of the waiver or suspension.

(k) Except as otherwise provided in this Act, if any lands or deposits subject to the provisions of this Act shall be subleased, trusted, possessed, or controlled by any device permanently, temporarily, directly, indirectly, tacitly, or in any manner whatsoever, so that they form a part of or are in any wise controlled by any combination in the form of an unlawful trust, with the consent of the lessee, optionee, or permittee, or form the subject of any contract or conspiracy in restraint of trade in the mining or selling of coal, phosphate, oil, oil shale, gilsonite (including all vein-type solid hydrocarbons), gas, or sodium entered into by the leasee, optionee, or permittee or any agreement or understanding, written, verbal, or otherwise, to which such lessee, optionee, or permittee shall be a party, of which his or its output is to be or become the subject, to control the price or prices thereof or of any holding of such lands by any individual, partnership, association, corporation, or control in excess of the amounts of lands provided in this Act, the lease, option, or permit shall be forfeited by appropriate court proceedings.

(l)(1) At each stage in the formulation and promulgation of rules and regulations concerning coal leasing pursuant to this Act, and

at each stage in the issuance, renewal, and readjustment of coal leases under this Act, the Secretary of the Interior shall consult with and give due consideration to the views and advice of the Attorney General of the United States.

(2) No coal lease may be issued, renewed, or readjusted under this Act until at least thirty days after the Secretary of the Interior notifies the Attorney General of the proposed issuance, renewal, or readjustment. Such notification shall contain such information as the Attorney General may require in order to advise the Secretary of the Interior as to whether such lease would create or maintain a situation inconsistent with the antitrust laws. If the Attorney General advises the Secretary of the Interior that a lease would create or maintain such a situation, the Secretary of the Interior may not issue such lease, nor may he renew or readjust such lease for a period not to exceed one year, as the case may be, unless he thereafter conducts a public hearing on the record in accordance with the Administrative Procedures Act and finds therein that such issuance, renewal, or readjustment is necessary to effectuate the purposes of this Act, that it is consistent with the public interest, and that there are no reasonable alternatives consistent with this Act, the antitrust laws, and the public interest.

(3) Nothing in this Act shall be deemed to convey to any person, association, corporation, or other business organization immunity from civil or criminal liability, or to create defenses to actions, under any antitrust law.

(4) As used in this subsection, the term "antitrust law" means—

(A) the Act entitled "An Act to protect trade and commerce against unlawful restraints and monopolies", approved July 2, 1890 (15 U.S.C. 1 et seq.), as amended;

(B) the Act entitled "An Act to supplement existing laws againt unlawful restraints and monopolies, and for other purposes", approved October 15, 1914 (15 U.S.C. 12 et seq.), as amended;

(C) the Federal Trade Commission Act (15 U.S.C. 41 et seq.), as amended;

(D) sections 73 and 74 of the Act entitled "An Act to reduce taxation, to provide revenue for the Government, and for other purposes", approved August 27, 1894 (15 U.S.C. 8 and 9), as amended; or

(E) the Act of June 19, 1936, chapter 592 (15 U.S.C. 13, 13a, 13b, and 21a).

* * * * * * *

SEC. 31. (a) Except as otherwise herein provided, any lease issued under the provisions of this Act may be forfeited and canceled by an appropriate proceeding in the United States district court for the district in which the property, or some part thereof, is located whenever the lessee fails to comply with any of the provisions of this Act, of the lease, or of the general regulations promulgated under this Act and in force at the date of the lease; and the lease may provide for resort to appropriate methods for the settlement of disputes or for remedies for breach of specified conditions thereof.

(b) Any lease issued after August 21, 1935, under the provisions of section 17 of this Act shall be subject to cancellation by the Secretary of the Interior after 30 days notice *if the lease was improp-*

erly issued or upon the failure of the lessee to comply with any of the provisions of the lease, unless or until the leasehold contains a well capable of production of oil or gas in paying quantities, or the lease is committed to an approved cooperative or unit plan or communitization agreement under section 17(m) of this Act which contains a well capable of production of unitized substances in paying quantities. Such notice in advance of cancellation shall be sent the lease owner by registered letter directed to the lease owner's record post-office address, and in case such letter shall be returned as undelivered, such notice shall also be posted for a period of thirty days in the United States land office for the district in which the land covered by such lease is situated, or in the event that there is no district land office for such district, then in the post office nearest such land. Notwithstanding the provisions of this section, however, upon failure of a lessee to pay rental on or before the anniversary date of the lease, for any lease on which there is no well capable of producing oil or gas in paying quantities, the lease shall automatically terminate by operation of law: *Provided, however,* That when the time for payment falls upon any day in which the proper office for payment is not open, payment may be received the next official working day and shall be considered as timely made: *Provided,* That if the rental payment due under a lease is paid on or before the anniversary date but either (1) the amount of the payment has been or is hereafter deficient and the deficiency is nominal, as determined by the Secretary by regulation, or (2) the payment was calculated in accordance with the acreage figure stated in the lease, or in any decision affecting the lease, or made in accordance with a bill or decision which has been rendered by him and such figure, bill, or decision is found to be in error resulting in a deficiency, such lease shall not automatically terminate unless (1) a new lease had been issued prior to the date of this Act or (2) the lessee fails to pay the deficiency within a period prescribed in a notice of deficiency sent to him by the Secretary.

(c) Where any lease has been or is hereafter terminated automatically by operation of law under this section for failure to pay on or before the anniversary date the full amount of rental due, but such rental was paid on or tendered within twenty days thereafter, and it is shown to the satisfaction of the Secretary of the Interior that such failure was either justifiable or not due to a lack of reasonable diligence on the part of the lessee, the Secretary may reinstate the lease if—

(1) a petition for reinstatement, together with the required rental, including back rental accruing from the date of termination of the lease, is filed with the Secretary; and

(2) no valid lease has been issued affecting any of the lands covered by the terminated lease prior to the filing of said petition. The Secretary shall not issue any new lease affecting any of the lands covered by such terminated lease for a reasonable period, as determined in accordance with regulations issued by him. In any case where a reinstatement of a terminated lease is granted under this subsection and the Secretary finds that the reinstatement of such lease will not afford the lessee a reasonable opportunity to continue operations under the lease, the Secretary may, at his discretion, extend the term of such lease

for such period as he deems reasonable: *Provided,* That (A) such extension shall not exceed a period equivalent to the time beginning when the lessee knew or should have known of the termination and ending on the date the Secretary grants such petition; (B) such extension shall not exceed a period equal to the unexpired portion of the lease or any extension thereof remaining at the date of termination; and (C) when the reinstatement occurs after the expiration of the term or extension thereof the lease may be extended from the date the Secretary grants the petition.

(d)(1) Where any oil and gas lease issued pursuant to section 17(b) [or section 17(c)] of this Act or the Mineral Leasing Act for Acquired Lands (30 U.S.C. 351 et seq.) has been, or is hereafter, terminated automatically by operation of law under this section for failure to pay on or before the anniversary date the full amount of the rental due, and such rental is not paid or tendered within twenty days thereafter, and it is shown to the satisfaction of the Secretary of the Interior that such failure was justifiable or not due to lack of reasonable diligence on the part of the lessee, or, no matter when the rental is paid after termination, it is shown to the satisfaction of the Secretary that such failure was inadvertent, the Secretary may reinstate the lease as of the date of termination for the unexpired portion of the primary term of the original lease or any extension thereof remaining at the date of termination, and so long thereafter as oil or gas is produced in paying quantities. In any case where a lease is reinstated under this subsection and the Secretary finds that the reinstatement of such lease (A) occurs after the expiration of the primary term or any extension thereof, or (B) will not afford the lessee a reasonable opportunity to continue operations under the lease, the Secretary may, at his discretion, extend the term of such lease for such period as he deems reasonable, but in no event for more than two years from the date the Secretary authorizes the reinstatement and so long thereafter as oil or gas is produced in paying quantities.

(2) No lease shall be reinstated under paragraph (1) of this subsection unless—

(A) with respect to any lease that terminated under subsection (b) on or before the date of the enactment of the Energy Policy Act of 2005, a petition for reinstatement (together with the required back rental and royalty accruing after the date of termination) is filed on or before the earlier of—

(i) 60 days after the lessee receives from the Secretary notice of termination, whether by return of check or by any other form of actual notice; or

(ii) 15 months after the termination of the lease; or

(B) with respect to any lease that terminates under subsection (b) after the date of the enactment of the Energy Policy Act of 2005, a petition for reinstatement (together with the required back rental and royalty accruing after the date of termination) is filed on or before the earlier of—

(i) 60 days after receipt of the notice of termination sent by the Secretary by certified mail to all lessees of record; or

(ii) 24 months after the termination of the lease.

(e) Any reinstatement under subsection (d) of this section shall be made only if these conditions are met:

(1) no valid lease, whether still in existence or not, shall have been issued affecting any of the lands covered by the terminated lease prior to the filing of such petition: *Provided, however,* That after receipt of a petition for reinstatement, the Secretary shall not issue any new lease affecting any of the lands covered by such terminated lease for a reasonable period, as determined in accordance with regulations issued by him;

(2) payment of back rentals and either the inclusion in a reinstated lease issued pursuant to the provisions of section 17(b) of this Act of a requirement for future rentals at a rate of not less than $10 per acre per year[, or the inclusion in a reinstated lease issued pursuant to the provisions of section 17(c) of this Act of a requirement that future rentals shall be at a rate not less than $5 per acre per year, all as determined by the Secretary;]*;*

(3)[(A)] payment of back royalties and the inclusion in a reinstated lease issued pursuant to the provisions of section 17(b) of this Act of a requirement for future royalties at a rate of not less than 16⅔ percent computed on a sliding scale based upon the average production per well per day, at a rate which shall be not less than 4 percentage points greater than the competitive royalty schedule then in force and used for royalty determination for competitive leases issued pursuant to such section as determined by the Secretary: *Provided,* That royalty on such reinstated lease shall be paid on all production removed or sold from such lease subsequent to the termination of the original lease;

[(B) payment of back royalties and inclusion in a reinstated lease issued pursuant to the provisions of section 17(c) of this Act of a requirement for future royalties at a rate not less than 16⅔ percent: *Provided,* That royalty on such reinstated lease shall be paid on all production removed or sold from such lease subsequent to the cancellation or termination of the original lease; and]

(4) notice of the proposed reinstatement of a terminated lease, including the terms and conditions of reinstatement, shall be published in the Federal Register at least thirty days in advance of the reinstatement.

A copy of said notice, together with information concerning rental, royalty, volume of production, if any, and any other matter which the Secretary deemed significant in making this determination to reinstate, shall be furnished to the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate at least thirty days in advance of the reinstatement. The lessee of a reinstated lease shall reimburse the Secretary for the administrative costs of reinstating the lease, but not to exceed $500. In addition the lessee shall reimburse the Secretary for the cost of publication in the Federal Register of the notice of proposed reinstatement.

[(f) Where an unpatented oil placer mining claim validly located prior to February 24, 1920, which has been or is currently producing or is capable of producing oil or gas, has been or is hereafter deemed conclusively abandoned for failure to file timely the re-

quired instruments or copies of instruments required by section 314 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1744), and it is shown to the satisfaction of the Secretary that such failure was inadvertent, justifiable, or not due to lack of reasonable diligence on the part of the owner, the Secretary may issue, for the lands covered by the abandoned unpatented oil placer mining claim, a noncompetitive oil and gas lease, consistent with the provisions of section 17(e) of this Act, to be effective from the statutory date the claim was deemed conclusively abandoned. Issuance of such a lease shall be conditioned upon:

[(1) a petition for issuance of a noncompetitive oil and gas lease, together with the required rental and royalty, including back rental and royalty accruing from the statutory date of abandonment of the oil placer mining claim, being filed with the Secretary—

[(A) with respect to any claim deemed conclusively abandoned on or before the date of enactment of the Federal Oil and Gas Royalty Management Act of 1982, on or before the one hundred and twentieth day after such date of enactment, or

[(B) with respect to any claim deemed conclusively abandoned after such date of enactment, on or before the one hundred and twentieth day after final notification by the Secretary or a court of competent jurisdiction of the determination of the abandonment of the oil placer mining claim;

[(2) a valid lease not having been issued affecting any of the lands covered by the abandoned oil placer mining claim prior to the filing of such petition: *Provided, however,* That after the filing of a petition for issuance of a lease under this subsection, the Secretary shall not issue any new lease affecting any of the lands covered by such abandoned oil placer mining claim for a reasonable period, as determined in accordance with regulations issued by him;

[(3) a requirement in the lease for payment of rental, including back rentals accruing from the statutory date of abandonment of the oil placer mining claim, of not less than $5 per acre per year;

[(4) a requirement in the lease for payment of royalty on production removed or sold from the oil placer mining claim, including all royalty on production made subsequent to the statutory date the claim was deemed conclusively abandoned, of not less than 12½ percent; and

[(5) compliance with the notice and reimbursement of costs provisions of paragraph (4) of subsection (e) but addressed to the petition covering the conversion of an abandoned unpatented oil placer mining claim to a noncompetitive oil and gas lease.]

(g)(1) Except as otherwise provided in this section, a reinstated lease shall be treated [as a competitive or a noncompetitive oil and gas lease in the same manner as the original lease issued pursuant to section 17(b) or 17(c) of this Act.] *in the same manner as the original lease issued pursuant to section 17.*

[(2) Except as otherwise provided in this section, the issuance of a lease in lieu of an abandoned patented oil placer mining claim

shall be treated as a noncompetitive oil and gas lease issued pursuant to section 17(c) of this Act.**]**

[(3)**]** *(2)* Notwithstanding any other provision of law, any lease issued pursuant to section 14 of this Act shall be eligible for reinstatement under the terms and conditions set forth in subsections (c), (d), and (e) of this section**[**, applicable to leases issued under subsection 17(c) of this Act (30 U.S.C. 226(c)) except,**]**, *except* that, upon reinstatement, such lease shall continue for twenty years and so long thereafter as oil or gas is produced in paying quantities.

[(4)**]** *(3)* Notwithstanding any other provision of law, any lease issued pursuant to section 14 of the Act shall, upon renewal on or after enactment of this paragraph, continue for twenty years and so long thereafter as oil or gas is produced in paying quantities.

(h) The minimum royalty provisions of section 17(m) and the provisions of section 39 of this Act shall be applicable to leases issued pursuant to subsections (d) and (f) of this section.

(i)(1) In acting on a petition to issue a noncompetitive oil and gas lease, under subsection (f) of this section or in response to a request filed after issuance of such a lease, or both, the Secretary is authorized to reduce the royalty on such lease if in his judgment it is equitable to do so or the circumstances warrant such relief due to uneconomic or other circumstances which could cause undue hardship or premature termination of production.

(2) In acting on a petition for reinstatement pursuant to subsection (d) of this section or in response to a request filed after reinstatement, or both, the Secretary is authorized to reduce the royalty in that reinstated lease on the entire leasehold or any tract or portion thereof segregated for royalty purposes if, in his judgment, there are uneconomic or other circumstances which could cause undue hardship or premature termination of production; or because of any written action of the United States, its agents or employees, which preceded, and was a major consideration in, the lessee's expenditure of funds to develop the property under the lease after the rent had become due and had not been paid; or if in the judgment of the Secretary it is equitable to do so for any reason.

(j) Where, in the judgment of the Secretary of the Interior, drilling operations were being diligently conducted on the last day of the primary term of the lease, and, except for nonpayment or rental, the lessee would have been entitled to extension of his lease, pursuant to section 4(d) of the Act of September 2, 1960 (74 Stat. 790), the Secretary of the Interior may reinstate such lease notwithstanding the failure of the lessee to have made payment of the next year's rental, provided the conditions of subparagraphs (1) and (2) of section (c) are satisfied.

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ENERGY POLICY ACT OF 2005

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TITLE III—OIL AND GAS

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Subtitle F—Access to Federal Lands

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SEC. 363. CONSULTATION REGARDING OIL AND GAS LEASING ON PUBLIC LAND.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary of the Interior and the Secretary of Agriculture shall enter into a memorandum of understanding regarding oil and gas leasing on—

(1) public land under the jurisdiction of the Secretary of the Interior; and

(2) National Forest System land under the jurisdiction of the Secretary of Agriculture.

(b) CONTENTS.—The memorandum of understanding shall include provisions that—

(1) establish administrative procedures and lines of authority that ensure timely processing of—

(A) oil and gas lease applications;

(B) surface use plans of operation, including steps for processing surface use plans; and

(C) applications for permits to drill consistent with applicable timelines;

(2) eliminate duplication of effort by providing for coordination of planning and environmental compliance efforts;

(3) ensure that lease stipulations are—

(A) applied consistently;

(B) coordinated between agencies; and

[(C) only as restrictive as necessary to protect the resource for which the stipulations are applied;]

(C) adequately protective of the resource for which the stipulations are applied;

(4) establish a joint data retrieval system that is capable of—

(A) tracking applications and formal requests made in accordance with procedures of the Federal onshore oil and gas leasing program; and

(B) providing information regarding the status of the applications and requests within the Department of the Interior and the Department of Agriculture; and

(5) establish a joint geographic information system mapping system for use in—

(A) tracking surface resource values to aid in resource management; and

(B) processing surface use plans of operation and applications for permits to drill.

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DISSENTING VIEWS

This bill amends the Mineral Leasing Act of 1920 to raise rental rates, fees and royalty rates for oil and gas leases on federal lands and codifies several leasing policies implemented during the Obama Administration. This legislation would discourage oil and gas leasing on federal lands by eliminating leasing policies that provide certainty to operators and States, as well as by imposing duplicative regulatory reviews under the National Environmental Policy Act (NEPA). Committee Republicans are strongly opposed.

Energy development on federal lands has long lagged behind production rates on State and private lands. By the end of the Obama Administration, the Bureau of Land Management (BLM) managed the lowest number of leases since 1985, total leased acreage had decreased by over 40 percent, Applications for Permits to Drill (APDs) were issued in an average of 257 days, and 166 million acres of federally-owned land were off limits for development. The Trump Administration took several steps to streamline the oil and gas leasing and permitting process and to incentivize responsible development on federal lands. Even so, in fiscal year (FY) 2018, federal lands contributed only 8% of all oil, 9% of natural gas, and 6% of natural gas liquids produced in the U.S.[1] H.R. 3225 will only worsen the disparity in production on federal and non-federal land by further complicating the already onerous NEPA process.

For example, parcels leased for oil and gas development undergo three rounds of review under NEPA before production can begin: during the development of resource management plans, before lease sales, and during approval of an APD.[2] This legislation would create a fourth round of NEPA review by reinstating Master Leasing Plans (MLPs), an additional environmental review process implemented during the Obama Administration and terminated under the Trump Administration. While originally intended to engage stakeholders before the lease sale phase to avoid conflicts regarding leases and drilling operations, the MLP process only resulted in further delays without the intended benefit of reduced conflict during the lease sale and APD approval process.

BLM's oil and gas leasing program generated roughly $3 billion in revenues from royalties, rental payments and bonus bids in FY 2018, half of which is distributed to energy-producing States.[3] Federal mineral revenues are a crucial source of income for the States, which they use to fund public services such as schools, public uni-

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[1] Bureau of Land Management. About Oil and Gas. https://www.blm.gov/programs/energy-and-minerals/oil-and-gas/about.

[2] US Department of Interior. Bureau of Land Management. Land Use Planning and Leasing Reform. https://www.blm.gov/programs/energy-and-minerals/oil-and-gas/leasing/land-use-planning.

[3] Bureau of Land Management. About Oil and Gas. https://www.blm.gov/programs/energy-and-minerals/oil-and-gas/about.

versities, environmental restoration, and infrastructure projects.[4] [5] This legislation would threaten those payments by discouraging production on federal land. Further drawing out the process, BLM is required to resolve protests and issue leases within 60 days of sale. Because protests can be well over 1,000 pages, resolution generally takes much longer, resulting in delays in the issuance of leases and in revenue-sharing payments to the States. To address the uncertainty created by this process, the Trump Administration reduced the public protest period on lease sales to 10 days. H.R. 3225 would give the BLM 90 days to issue a lease, further jeopardizing State budgets.

This bill also creates considerable uncertainty for operators and energy-producing States by arbitrarily raising the cost of doing business on federal lands. For example, H.R. 3225 raises royalty rates for onshore leasing from 12.5 percent to 18.5 percent, raises rental fees to $3 for the first 2 years of a lease and $5 for the following years, and imposes new fees to submit areas of interest for upcoming lease sales. This bill would also reduce lease terms from 10 years to 5 years and eliminate the legislative requirement for BLM to hold quarterly lease sales. The Secretary of the Interior may also raise any of these fees or rates at any time without input from the public. Rather than generating additional revenues to the Treasury and the States, these proposed policies will simply drive investment away from federal lands and result in smaller returns to the taxpayer.

While this legislation will result in reduced oil and gas production on federal lands, it will not reduce domestic demand, thus worsening U.S. dependence on foreign oil imports. Returning to the days of foreign energy dependence is not sustainable for the U.S. economy or long-term domestic energy security. The U.S. has some of the strongest environmental and labor standards in the world and an abundance of domestically-available oil and natural gas. Rather than imposing additional burdens on domestic energy operators and costs on American households through legislation like H.R. 3225, Congress should encourage responsible investment on federal lands and prioritize affordable energy development and creating American jobs.

ROB BISHOP.

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[4] The United States Extractive Industries Transparency Initiative. Explore Data, Montana. https://useiti.doi.gov/explore/MT/#disbursements.

[5] Marc Humphries, Mineral Royalties on Federal Lands: Issues for Congress (2015). http://www.crs.gov/reports/pdf/R43891.